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OVERVIEW

Against a challenged backdrop on account of the deepened US-China trade tension and prolonged doubt that clouded Brexit, global economic activity was characterized by weak momentum, as evidenced by decline in industrial output. Consequently, global output was revised downward to 3.0 percent and 3.4 percent for 2019 and 2020, respectively. Several factors underpinned the downward adjustment of global growth projection, notably, the ongoing trade tension between US and China, lingering trade uncertainty, and other reform uncertainties that adversely affected consumer and business sentiments.

Consistent with the lingering challenges, the growth rates for some advanced economies were adjusted downward. The US growth was revised downward, mainly on account of the ongoing trade tension. Brexit policy negotiations, disruption in the auto industry, and weak export underscored the downward growth adjustment for the Euro area. Emerging markets and developing economies' growths were also revised downward compared to the preceding World Economic Outlook (WEO) update.

Sub-Saharan Africa's (SSA) growth was projected to remain steady at 3.2 percent for 2019 but expected to expand in 2020. The downward revision of the region's growth was mainly underpinned by debt distress, austerity measures under the IMF-mandated programs as well as political instability in some countries. Nigeria's growth was projected to increase in 2019, while South Africa's growth was projected to decline in 2019. Real GDP for the ECOWAS sub-region is projected to expand and stabilize at 3.6 percent for 2019 and 2020, beyond the 3.3 percent recorded in 2018.

Real gross domestic product (RGDP) of Liberia is projected to decline in 2019 on account of subdued performances in the secondary and tertiary sectors, in addition to weak activity emanating from the forestry sub-sector of the primary sector. Year-on-year inflation for the period under review surged by 3.4 percentage points. The rise in the inflation rate was primarily due to increases in the prices of food and non-food items. Output of key agricultural commodities, mainly rubber, cocoa, and crude palm oil declined. Output for gold and iron ore also declined, while diamond output increased.

Growth in key balance sheet indicators of commercial banks revealed strong performance in the banking sector, in the face of a seasonal liquidity squeeze that continues to impact the sector. The banking sector remains strongly capitalized as evidenced by high capital adequacy ratio (CAR) and improved earnings ratios for the period under review. Credit to the private sector as a share of GDP improved, while credit to various sectors of the economy also increased, mainly occasioned by increasing credit to individuals, construction, public corporations, and services sectors.

Compared to the previous quarter, narrow money (M1) and broad money (M2) increased. The growth in M2 was driven by increases in demand, and time & saving deposits, from the liability; while net foreign asset (NFA) and net domestic asset (NDA) drove growth in M2 from the assets side.

Preliminary statistics revealed that the capital account balance declined, mainly underpinned by slowdown in investment grants from development partners. The current account deteriorated, mainly on account of significant drops in balances of goods and services, and secondary income.

Quarterly comparison revealed that the period average and end-of-period exchange rates depreciated, partly on account of the high demand for foreign exchange and other structural challenges. The period average and end-of-period average exchanges also depreciated, on a yearly comparison.

Europe, North America, Asia and Africa were the leading external trading regions of Liberia. In Europe, Switzerland was the main destination of exports, while the US led the destination of trade to North America. Gold and rubber were the main export commodities. On the other hand, China and Cote d'Ivoire were the two main sources of imports to Liberia.

I. DEVELOPMENT IN THE WORLD ECONOMY

1.0 Introduction

Global growth momentum was weak in the third quarter of 2019, showing a general slowdown in industrial output with downside risk to 2020 growth projections. Consequently, global output in 2019 was revised downward to 3.0 percent and 3.4 percent for 2019 and 2020. These projections are 0.2 and 0.1 percentage points lower for the respective years when compared with the July 2019 World Economic Outlook (WEO) update¹. The projections were adjusted notably due many factors ranging from escalating import tariffs, geopolitical backlash, lingering trade uncertainty and other policy and reforms uncertainties negatively affecting consumer and business sentiments. The projection for 2020 shows that economic activity will pick-up with anticipated recovery in emerging markets economies. Any escalation in trade policy uncertainty and other unusual economic factors will pose a risk to the outlook.

1.1 United States (US) Economy

Despite fiscal inducement and monetary loosening, growth in the US in 2019 was revised downward by 0.2 percentage point to 2.4 percent, compared to previous projection in the July 2019 edition. The downward revision in output was mainly driven by weak US investment due to US-China trade friction. US growth for 2020 is forecast at 2.1 percent, 0.3 percentage points lower than the revised growth in 2019.

1.2 The Euro Area

Disruptions in the automobile industry, weak export couple with uncertainty over Brexit policy negotiations with the European union are factors that adversely affected the growth projection for the Euro area. The Euro area's growth rate for 2019 was projected at 1.2 percent, reflecting 0.1 percentage point lower, compared to previous projection in the July 2019 update. Growth in 2020 was, however, expected to slightly improve to 1.4 percent, subject to recovery in the auto industry.

¹ International Monetary Fund. 2019. *World Economic Outlook: Global Manufacturing Downturn, Rising Trade Barriers*. Washington, DC, October.

1.3 Emerging Markets and Developing Economies

Emerging markets and developing economies' growth rate was projected to moderate at 3.9 percent in 2019, reflecting 0.2 percentage point lower than previously projected in July 2019 edition. China's growth rate was projected at 6.1 percent in 2019, mainly occasioned by weak external demand, largely accentuated by the ongoing trade tension and other financial reforms. India's growth was projected to decline to 6.1 in 2019, from 6.8 percent in 2018, mainly driven by slowdown in the automobile sector, soft consumer demand, rising number of non-performing assets and low investment. Emerging markets such as Russia, Turkey, Argentina, Brazil, Mexico, Iran and Saudi Arabia experienced pronounced slowdown in growth momentum in 2019, mainly driven by decline in trade and manufacturing activities. Growth rate is expected to rebound in 2020 at 4.6 percent in emerging markets and developing economies, provided that policy decision that are geared towards minimizing macroeconomic imbalances are implemented. Growth is, however, vulnerable to downside risk that could potentially affect supply chain alongside business and consumer confidence.

1.4 Sub-Saharan Africa (SSA)

In 2019, Sub-Saharan Africa growth was projected to remain steady at 3.2 percent but expected to improve to 3.6 percent in 2020. Debt distress, IMF mandated austerities program and civil unrest are factors that affected the region's growth prospect. Consequently, SSA's growth was adjusted downward by 0.2 percentage point, compared to previous projection. Nigeria's growth rate was projected to increase to 2.3 percent in 2019 and further projected to increase to 2.5 percent in 2020, amidst crude oil price stability and successful political transition. South Africa's growth rate was anticipated to decline to 0.7 percent in 2019 but expected to improve to 1.1 percent in 2020. The slowdown in South Africa's growth reflects fiscal slippages, low investor sentiments, and persistent policy uncertainty that includes delay in electricity supply resolution.

1.5 ECOWAS

The sub-region's real GDP forecast was projected to rise and stabilize at 3.6 percent in 2019, beyond the previously 3.3 growth recorded in 2018. The increase in growth was mainly occasioned by favorable investment, government spending, and household consumption alongside sustained recovery in major export prices. The sub-region was home to some of the fastest growing

economies in the world, with Benin, Cote d’Ivoire, and Mali recording growth rates above 7.0 percent in the first half of 2019.

1.6 Global Inflation

In advanced economies, headline inflation was muted below target. Similarly, inflation in emerging markets and developing economies slowdown with core inflation in some countries declining below historical averages. The moderation in inflation was mainly associated with slowdown in global demand and industrial production alongside moderate energy prices. The exceptions to global inflationary dynamics are countries that have seen exchange rate depreciation upsets domestic consumer prices for high priority goods. In 2019, advanced economies inflation was projected to moderate to 1.5 percent, from 2.0 percent in 2018, but is expected to rise slightly to 1.8 percent in 2020. For emerging markets and developing economies, inflation projected at 4.7 percent in 2019.

Table 1: Selected Global Output, 2018-2020

	Projections			Difference from July 2019 WEO Update	
	2018	2019	2020	2019	2020
World Output	3.6	3.0	3.4	-0.2	-0.1
Advanced Economies	2.3	1.7	1.7	-0.2	0.0
United States	2.9	2.4	2.1	-0.2	0.2
Euro Area	1.9	1.2	1.4	-0.1	-0.2
Japan	0.8	0.9	0.5	0.0	0.1
United Kingdom	1.4	1.2	1.4	-0.1	0.0
Canada	1.9	1.5	1.8	0.0	-0.1
Emerging Markets and Developing Economies	4.5	3.9	4.6	-0.2	-0.1
Emerging and Developing Asia	6.4	5.9	6.0	-0.3	-0.2
China	6.6	6.1	5.8	-0.1	-0.2
India	6.8	6.1	7.0	-0.9	-0.2
Latin America & the Caribbean	1.0	0.2	1.8	-0.4	-0.5
Brazil	1.1	0.9	2.0	0.1	-0.4
Middle East, and Central Asia	1.9	0.9	2.9	-0.5	-0.3
Sub-Saharan Africa	3.2	3.2	3.6	-0.2	0.0
Nigeria	1.9	2.3	2.5	0.0	-0.1
South Africa	0.8	0.7	1.1	0.0	0.0
Consumer Prices					
Advanced Economies	2.0	1.5	1.8	-0.1	-0.2
Emerging Markets and Developing Economies	4.8	4.7	4.8	-0.1	0.1

Source: International Monetary Fund. *World Economic Outlook (2019): Global Manufacturing Downturn, Rising Trade Barriers*. Washington, DC, October

II. DOMESTIC PRODUCTION AND CONSUMER PRICES

2.0 Introduction

Real gross domestic product (RGDP) in the Liberian economy is projected to grow modestly by 0.4 percent to US\$1,442.6 million in 2019 (from 1.2 percent or US\$1,436.3 million recorded in 2018), underpinned by mixed performances in the main component sectors. Improvement was recorded in the primary sector but the continual contraction in the tertiary sector as a result of structural constraints heavily weighed down on gains made in the primary sector. In the secondary sector, activity is expected to marginally improve.

In the primary sector (agriculture, forestry and mining and panning), growth is expected to be driven by continued expansion in mining, especially through commercial gold production. In 2019, the sector expanded by 3.3 percent in 2019, down from the 7.0 percent estimated for 2018. Agriculture and fisheries subsector was projected to expand by 2.8 percent in 2019, from 3.1 percent in 2018, while the forestry subsector was also projected to improve; however, it is expected to remain in contraction at negative 6.2 percent in 2019.

The secondary sector (manufacturing) was projected to improve to negative 3.2 percent in 2019, from negative 5.7 percent estimated for 2018, mainly on account of projected increase in cement output. However, the expansion of the sector remains constrained by limited energy supply and other structural factors.

Activities in the tertiary sector was projected to further contract to 2.6 percent, from the negative 2.2 percent level in 2018. The under performance of the sector was mainly on account of reductions in services emanating from trade, hotels and financial institutions.

Year-on-year inflation during the review quarter was 30.70 percent, increasing from 27.31 percent reported during the previous quarter. The 3.39 percentage points increase in headline inflation was mainly due to increases in the prices of food and non- food items.

2.1 Sectoral Review

2.1.1 Agriculture and Forestry

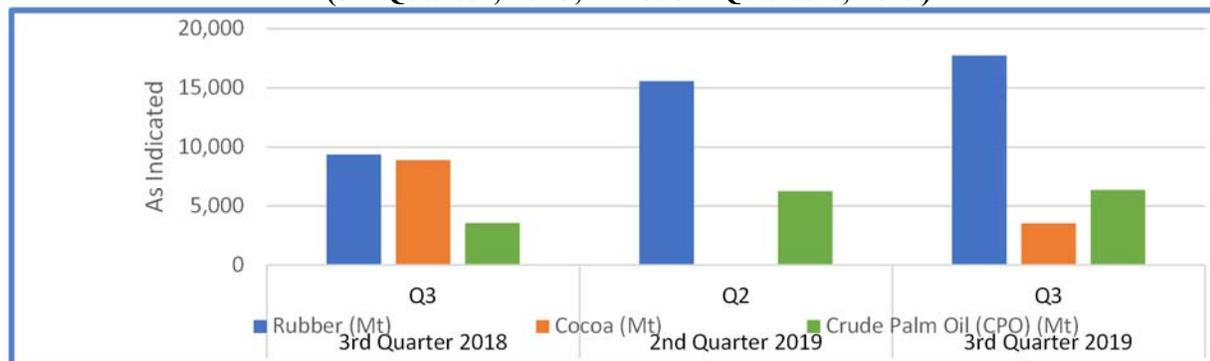
**Table 2: Key Agricultural Production
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**

Commodities	Unit	3 rd Quarter-2018	2 nd Quarter-2019	3 rd Quarter-2019
Rubber	Mt.	9,381	15,573	17,733
Cocoa	Mt.	8,910	26	3,527
Round Logs	M3	36,214	285,053	
Sawn Timber	Pcs.	45,358	102,949	
Crude Palm Oil (CPO)	Mt.	3,547	6,236	6,356

Source: Ministry of Commerce & Industry (MOCI); Liberia Agricultural Commodities Regulatory Authority (LACRA); Forestry Development Authority (FDA)

* Estimates + Revised/Actual

**Chart 1: Key Agricultural Production
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**



Source: Ministry of Commerce & Industry (MOCI); Liberia Agricultural Commodities Regulatory Authority (LACRA); Forestry Development Authority (FDA)

a) Rubber

Output of rubber in the third quarter expanded by 13.9 percent to 17,733 metric tons, from 15,573 metric tons produced in the previous quarter. The growth in rubber production was largely driven by leap in output from small farm holders for the month of September. Similarly, year-on-year comparison showed that rubber production expanded significantly by 89.0 percent from the 9,381 metric tons produced in third quarter of 2018.

b) Cocoa

Cocoa beans produced in the review stood at 3,527 metric tons, from a revised 26 metric tons produced in the preceding quarter. The 3,501 metric tons rise in output was mainly on account of favorable harvest of the commodity during the quarter in addition to the marginal increase in the

price of the commodity on the world market. Year-on-year comparison revealed that output declined by 60.4 percent or 5,383 metric tons.

c) Crude Palm Oil (CPO)

Production of crude palm oil (CPO) for the reporting quarter was 6,356.0 metric tons, 120 metric tons above the 6,236 metric tons produced a quarter ago. The 1.9 percent rise in output of the commodity was mainly due to sustained demand for the commodity in the quarter. Year-on-year comparison showed that COP output surged by 79.2 percent.

2.1.2 Industrial Production

2.1.2.1 Mining (Gold, Diamond and iron Ore)

i) Gold

Gold production declined by 21.9 percent to 37,484 ounces, from 48,008 ounces in the preceding quarter. The reduction in output was mainly attributed to declines in mining activity from industrial mines in the months of August and September 2019. Year-on-year comparison revealed a declined output dropped by 31.3 percent.

ii) Diamond

In the reporting quarter, diamond output increased by 53.1 percent or 6,165 carats, to 17,775 carats, mainly on account of improvement in mining activity from industrial mines. On a year-on-year comparison, output increased by 28.8 percent or 3,970 carats.

iii) Iron Ore

Iron ore production declined by 23.0 percent or 269,026 metric tons, mainly due to inventory build-up from the previous quarter. The total volume of iron ore produced was 898,767 metric tons compared to the 1,167,793 metric tons produced in the previous quarter.

2.1.2.2 Manufacturing

i) Cement

Cement production, during the review quarter, declined to 59,212 metric tons, from 93,735 metric tons produced in the second quarter of 2019. The decline in cement output was mainly due to slowdown in construction activity as a result of the wet season. Production fell by 6.8 percent or 4,319 metric tons, when annualized.

ii) Beverages

Output of beverages (alcoholic and non-alcoholic) was 3.0 million liters, down from 5.1 million liters produced during the second quarter. The decline in beverage production was mainly driven by a slump in the production of non-alcoholic beverages by two of the largest producers in the country. There was no production in the months of August and September 2019 by one of the producers while the other producer's output fell in the month of September as a result of annual routine maintenance of production equipment. Year-on-year comparison revealed that production declined by 12.8 percent or 449,490 liters. Disaggregation of total beverage production showed that alcoholic beverages contributed 75.5 percent, while non-alcoholic beverages constituted 24.5 percent to the total quarterly output.

Table 3: Key Industrial Output
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)

Commodity	Unit	3 rd 2018	2 nd 2019	3 rd Quarter, 2019
Gold	Ounce	54,563	48,008	37,484
Diamond	Carat	13,805	11,610	17,775
Iron Ore	Mt.	771,904	1,167,793	898,767
Cement	Mt.	63,531	93,735	59,212
Spirits	Liter	145,043	65,098	45,878
Beer	Liter	773,681	1,642,511	1,227,868
Stout	Liter	597,089	1,288,465	1,027,121
Malta	Liter	138,980	153,656	137,713
Soft Drinks	Liter	1,840,753	1,994,188	607,478
Oil Paint	Gal.	20,068	18,321	21,599
Water Paint	Gal.	14,173	17,322	18,224
Varnish	Gal.	5,953	6,171	6,198
Manoline Hair Grease	Kg.	2,461	2,260	2,520
Thinner	Gal	4,658	5,361	5,387
Rubbing Alcohol	Liter	30,384	74,342	40,407
Soap	Kg	131,547	129,712	117,905
Chlorox	Litre	269,560	273,031	255,889
Candle	Kg	25,494	19,667	22,806
Mattresses	Pcs.	27,302	27,733	16,778
Finished water	Gal.	499,730,746	345,502,660	294,092,536
Mineral Water	Liter	138,628	158,357	139,067
Electricity	kW	48,146,090	53,578,540	48,023,180

Source: Ministry of Commerce & Industry (MOCI); Ministry of Lands, Mines & Energy; Liberia Water and Sewer Corporation

Projections + Revised/Actual

iii) Soap

Soap production for the quarter under review declined by 9.1 percent or 11,807 kilograms, from 129,712 kilograms produced during the preceding quarter, mainly due to unsold stock of the commodity in inventory. Annual comparison showed that soap production also declined by 10.4 percent or 13,642 kilograms.

iv) Paint (Oil and Water)

Paint production, including oil and water paints, during the quarter under review stood at 39,823 gallons, increasing from 35,643 gallons produced in the second quarter of 2019. The growth in paint production by 11.7 percent or 4,180 gallons was due to increase in the demand for the commodities. Disaggregation of output showed that oil paint accounted for 54 percent, while water paint accounted for 46 percent of total paint production. Year-on-year comparison showed that paint output rose by 16.3 percent or 5,582 gallons.

v) Varnish

During the reporting quarter, varnish output stood at 6,198 gallons, up by 27 gallons produced a quarter ago. Year-on-year comparison revealed that output marginally increased by 4.1 percent or 245 gallons.

vi) Manoline Hair Grease

Manoline Hair Grease production surged by 11.5 percent or 260 kilograms during the third quarter of 2019 to 2,520 kilograms, from 2,260 kilograms produced in the previous quarter. The rise in output was mainly due to increase in demand and the availability of raw materials for production. Year-on-year comparison showed that output slightly increased by 2.4 percent or 59 kilograms.

vii) Thinner

The volume of thinner produced in the reporting quarter increased by 26 gallons, to 5,387 gallons in the reporting quarter. Year-on-year comparison revealed that output increased by 15.65 percent or 729 gallons.

viii) Rubbing Alcohol

The quantity of rubbing alcohol produced was 40,407 liters during the reporting quarter. Output declined by 33,935 liters, from the 74,342 liters produced a quarter ago. The decline in output was mainly occasioned by inventory build-up during last two quarters. However, output increased by 33.0 percent or 10,023 liters, on a year-on-year comparison.

ix) Chlorox

Chlorox output declined to 255,889 liters, from 273,031 liters produced a quarter ago. The decline in output was mainly on account of decrease in the demand of the commodity. Output declined by 5.1 percent or 13,671 liters, on a year-on-year basis.

x) Candle

Candle output during the quarter was 22,806 kilograms, increasing from 19,667 kilograms produced in the preceding quarter. Output rose by 16.0 percent, mainly attributed to high demand. Year-on-year comparison showed that production decreased by 10.54 percent or 2,688 kilograms.

xi) Mattresses

Mattresses output declined to 16,778 pieces, from 27,733 pieces produced at the end of the second quarter of 2019. Output declined by 39.5 percent or 10,955 pieces, largely attributed to slowdown in demand. Year-on-year comparison revealed that output declined by 10,524 pieces.

xii) Finished Water

The Finished water total output during the quarter stood at 294.1 million gallons, in 14.9 percent decline in production, compared to the preceding quarter. The decline in output was due to technical breakdown. Year-on-year comparison revealed that output declined by 205.6 million gallons.

xiii) Mineral Water

The total volume of mineral water produced during the quarter amounted to 139,067 liters, down from 158,357 liters produced in second quarter 2019. Output declined by 12.9 percent or 19,290 liters, mainly due to slowdown in demand. However, year-on-year comparison showed that output inched up by 439 liters.

2.2 Consumption of Petroleum Products

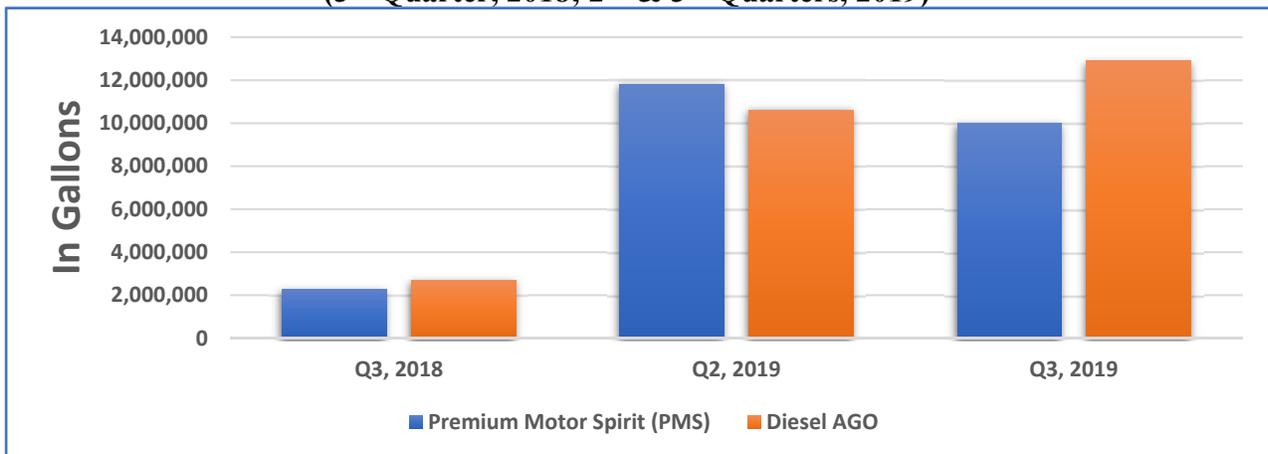
Total consumption of petroleum products (Premium Motor Spirit (PMS) and Diesel Automotive Gas Oil (AGO)) during the review quarter increased to 22.8 million gallons, from 22.4 million gallons in the previous quarter. The increased in consumption by 0.4 million gallons was mainly driven by rise in AGO consumption. The increase in AGO consumption for the last two quarters was partly due to the increased use of portable generators by households, mainly influenced by the frequent power outage from the national power grid and private utility companies. Year-on-year comparison showed that total petroleum consumption rose by 17.9 million gallons. Further analysis revealed that PMS constituted 44 percent, while AGO accounted for the remaining 56 percent, of the total consumption of petroleum products during the reporting period.

**Table 4: Consumption of Petroleum Products
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**

Commodity	Unit	3 rd Quarter, 2018	2 nd Quarter, 2019	3 rd Quarter, 2019
Premium Motor Spirit (PMS)	Gal.	2,288,178	11,804,307	9,991,531
Diesel (AGO)	Gal.	2,704,542	10,619,247	12,893,875
Total		4,992,720	22,423,554	22,885,406

Source: Liberia Petroleum Refining Company (LPRC)

**Chart 2: Consumption of Petroleum Products
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**



Source: Liberia Petroleum Refining Company (LPRC)

2.3 Sea Port Development

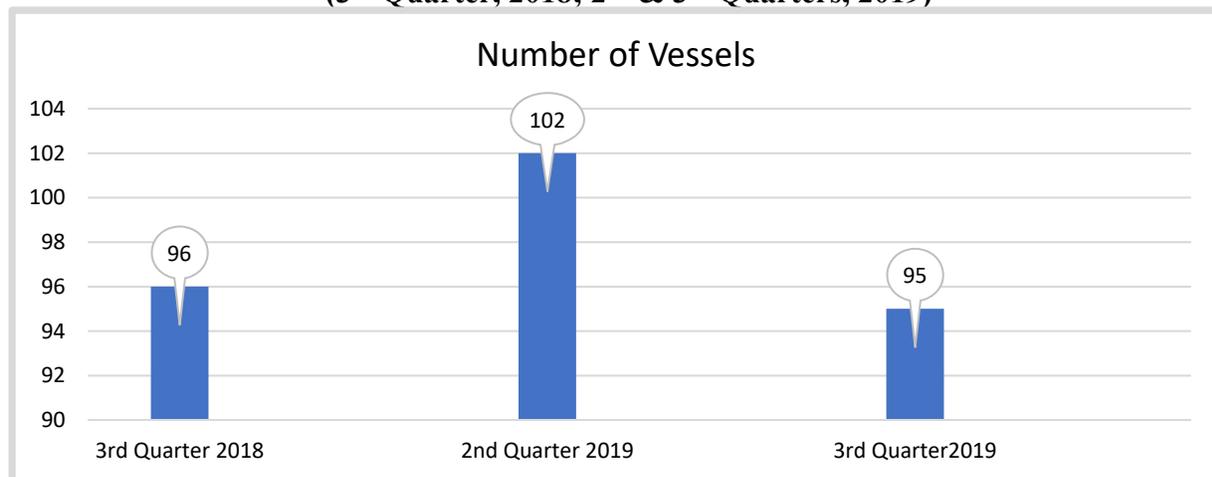
Statistics on vessels traffic at various ports of Liberia showed that 95 vessels with combined Summer Dead Weight Tons (SDWT) of 2.9 million docked during the reporting quarter, reflecting 6.8 percent decrease in the number of vessels anchored compared with the previous quarter. Slowdown in activities at the Buchanan port underpinned the major reason for the slight decline. In terms of percentage distribution, Monrovia, Buchanan and Greenville accounted for 74.0 percent, 20.0 percent and 6.0 percent, respectively. Year-on-year comparison showed that vessel traffic declined by 1 vessel. Further analysis of the total cargo tonnage revealed that imports accounted for 31.3 percent, while exports accounted by the remaining 68.7 percent.

**Table 5: Vessel Traffic and Cargo Movement
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**

Quarter	No. of Vessels	Vessel Weight (SDWT)	Cargo Tonnage (In Metric Tons)		
			Imports	Exports	Total
3 rd Quarter, 2018	96	3,086,386	471,559	793,490	1,265,049
2 nd Quarter, 2019	102	2,641,619	582,500	1,292,362	1,874,862
3 rd Quarter, 2019	95	2,908,963	398,461	873,573	1,272,034

Source: National Port Authority (NPA) SDWT=Summer Dead Weight Tons

**Chart 3: Vessel Traffic and Cargo Movement
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**



Source: National Port Authority (NPA) SDWT=Summer Dead Weight Tons

2.4 Electricity Power Developments

Electric power produced by the national power generating facilities during the review quarter reduced to 48.0 million kilowatts, from 53.5 million kilowatts produced in second quarter 2019.

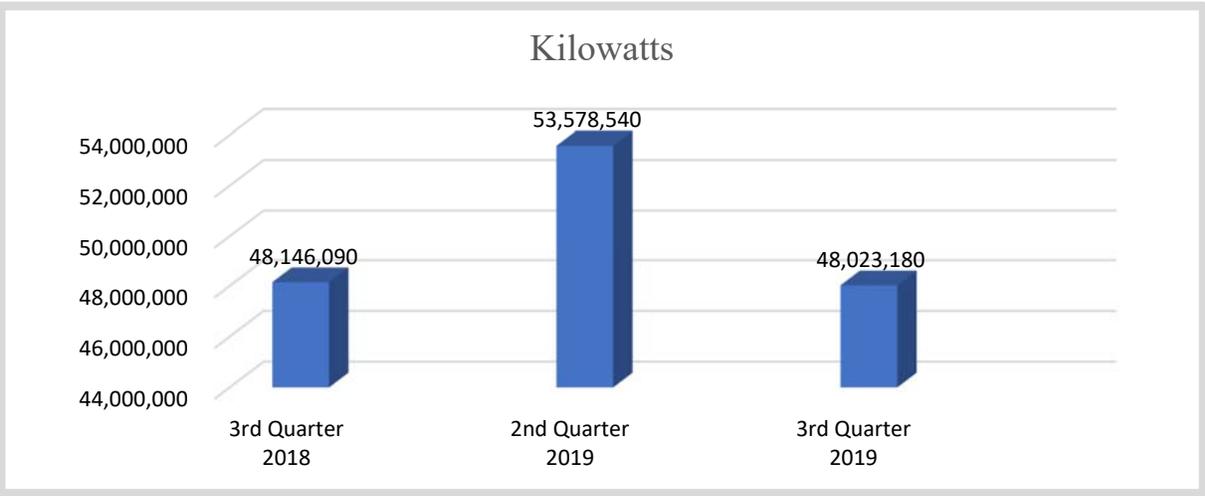
This reflects a 10.0 percent, or 5.5 million kilowatts drop in electric power generation. The contraction in electric power generation was on account of low generation from one of the power generation centers. A year-on-year comparison showed that electric power generation declined marginally by 0.25 percent.

**Table 6: Electricity and Power Development
(3rd Quarter, 2018; 2nd & 3rd Quarters 2019)
(in kilowatts)**

	Unit	Service	Generation
3 rd Quarter, 2018	kW	Electricity	48,146,090.0
2 nd Quarter, 2019	kW	Electricity	53,578,540.0
3 rd Quarter, 2019	kW	Electricity	48,023,180.0

Source: Liberia Electricity Corporation (LEC)

**Chart 4: Electricity Generation
(3rd Quarter, 2018; 2nd & 3rd Quarters 2019)**

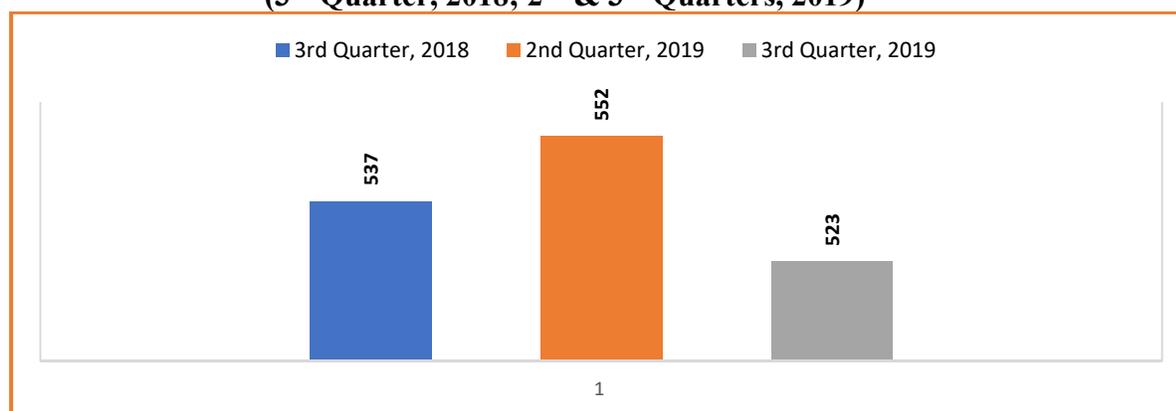


2.5 Air Traffic Development

Air traffic developments during the review quarter showed that 523 flights landed at the two major airports in the country, down from 552 flights in the previous quarter. The 5.2 percent reduction in air traffic during the quarter was due to slight decrease in landing frequency of some major flights. On an annualized basis, the number of flight landing declined by 14 flights or 2.6 percent. Further analysis revealed that there were 23,186 arriving passengers and 24,933 departing passengers during the period, reflecting 2.3 percent increase in arrivals and 3.9 percent decrease

in departures compared to the preceding quarter. Disaggregation of total cargo transshipment showed that 88.2 percent or 408,969 kilograms of cargo were imported, while the remaining 11.8 percent or 54,760 kilograms were exported. Also, 57.0 percent or 7,088 pieces of mails were exported, while 43.0 percent or 5,356 pieces were brought into the country. During the review period, the total number of passengers transiting decreased by 99 passengers, from 15,196 passengers in the second quarter, down to 15,097 passengers.

**Chart 5: Air Traffic
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**



Source: Liberia Airport Authority

**Table 7: Air Traffic, Passenger, and Cargo Movement
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**

Quarter	No. of Flights	Number of Passenger			Mail (Pieces)		Cargo (Kilograms)		
		Depart	Arrive	Transit	In	Out	Imports	Exports	Total
3rd Quarter, 2018	537	24,638	25,405	15,752	9,264	3,812	73,550	439,610	513,160
2nd Quarter, 2019	552	25,993	22,675	15,196	9,052	7,682	431,309	21,423	452,732
3rd Quarter, 2019	523	24,933	23,186	15,097	5,356	7,088	408,969	54,760	463,729

Source: Liberia Airport Authority

2.6 Price Developments

2.6.1 Domestic Inflation

Year-on-year inflation² during the third quarter of 2019 was 30.70 percent, up from 27.31 percent reported during the previous quarter. The 3.39 percentage points increase in headline inflation was

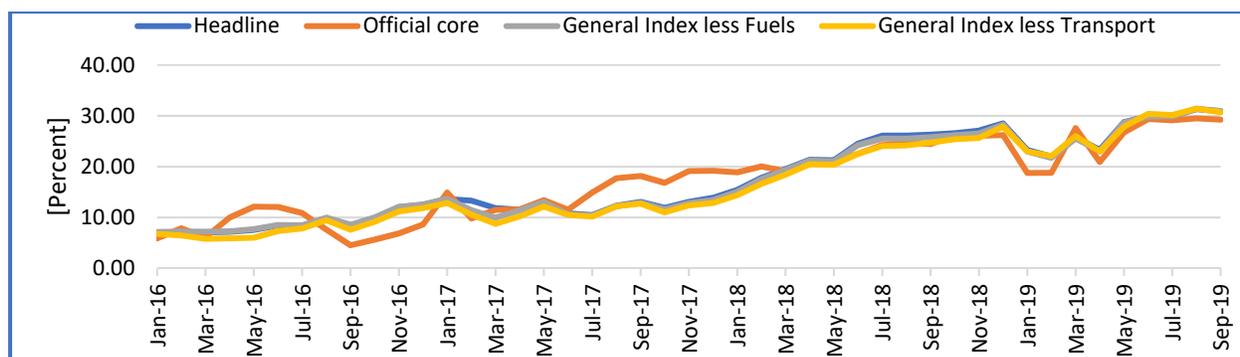
² The results from the 2016 Household Income Expenditure Survey (HIES) was used to update the weights in the CPI basket in December 2018 which reflect the current consumption pattern of the average Liberians.

due to increases in the prices of both food and non-food items. When compared to the corresponding quarter in 2018, inflation increased by 4.52 percentage points (Chart 6).

Food inflation for the quarter ended-September 2019 was 33.18 percent, representing an increase of 3.66 and 9.10 percentage points over the same period a quarter and a year ago, respectively. The rise in inflation for the quarter was largely due to increase in the prices of imported food items (Chart 7, Table 7). Non-food inflation recorded an average of 29.39 percent, up from 26.17 and 27.36 percent recorded during the previous quarter in 2019 and the corresponding quarter in 2018, respectively. The rise in non-food inflation was largely due to increase in the prices of clothing and footwear items; restaurants & hotels and recreation & culture (Table 10).

Official core inflation³ increased by 3.61 and 4.81 percentage points, respectively, from the 25.68 percent recorded in the preceding quarter and the 24.48 percent in the corresponding quarter a year ago. During the review quarter, the increase in official core inflation was mainly as a result of the pass-through effects of the depreciation of the Liberian dollar against the United States dollar on the other measures of core inflation (chart 6).

Chart 6: Headline and Core inflations



Source: CBL & LISGIS

2.6.2 Inflation by Group

Analysis of the major groups within the consumer basket during the review quarter revealed mixed results when compared to the previous quarter. Sub-groups such as food and non-alcoholic beverages, clothing and footwear, furnishing, household equipment and routine maintenance of

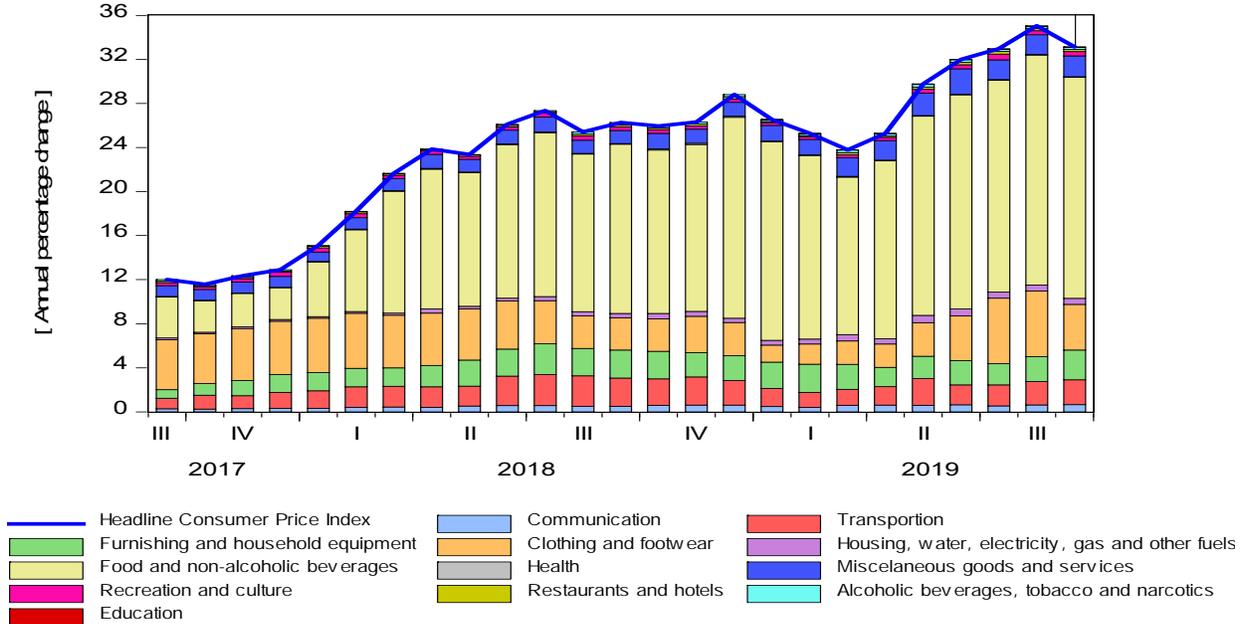
³ Headline inflation less food and transport

the house, transport, restaurants and hotels, education and recreation & culture recorded increases. On the other hand, alcoholic beverages housing, water, electricity, gas & other fuels health, communication, and miscellaneous goods and services declined (Chart 7 & Table 8).

2.6.3 Contributions to Changes in CPI (%)

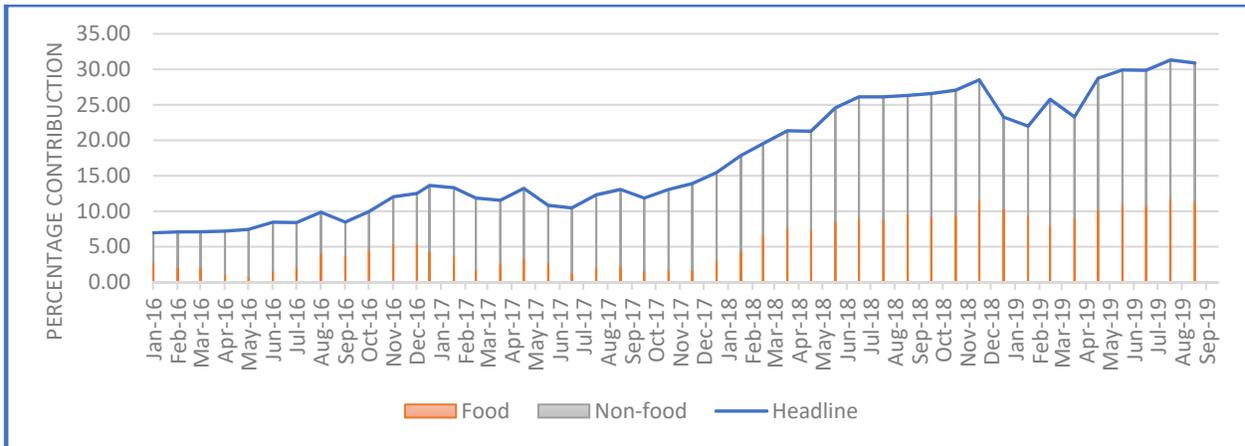
Disaggregation of the consumer price index (CPI) basket at the end of September 2019 showed that the following subgroups substantially contributed to inflation: clothing and footwear, restaurants and hotels, and recreation and culture sub-groups. Similarly, disaggregation of the CPI basket into food and non-food items showed that food inflation increased by 3.66 percentage points to 33.18 percent, while non-food stood at 29.39 percent, reflecting a 3.22 percentage points increase from the previous quarter. Food contributed 11.31 percentage points, while non-food contributed to 19.38 percentage points to the 30.70 percent general rate of inflation. The upward movement in the general rate of inflation was due to both food and non-food items (Chart 7).

Chart 7: Contributions to CPI
Contributions to Consumer Price Index



Source: CBL & LISGIS, Monrovia, Liberia

Chart 8: Food, Non-food and Headline Inflation



Source: CBL & LISGIS, Monrovia, Liberia

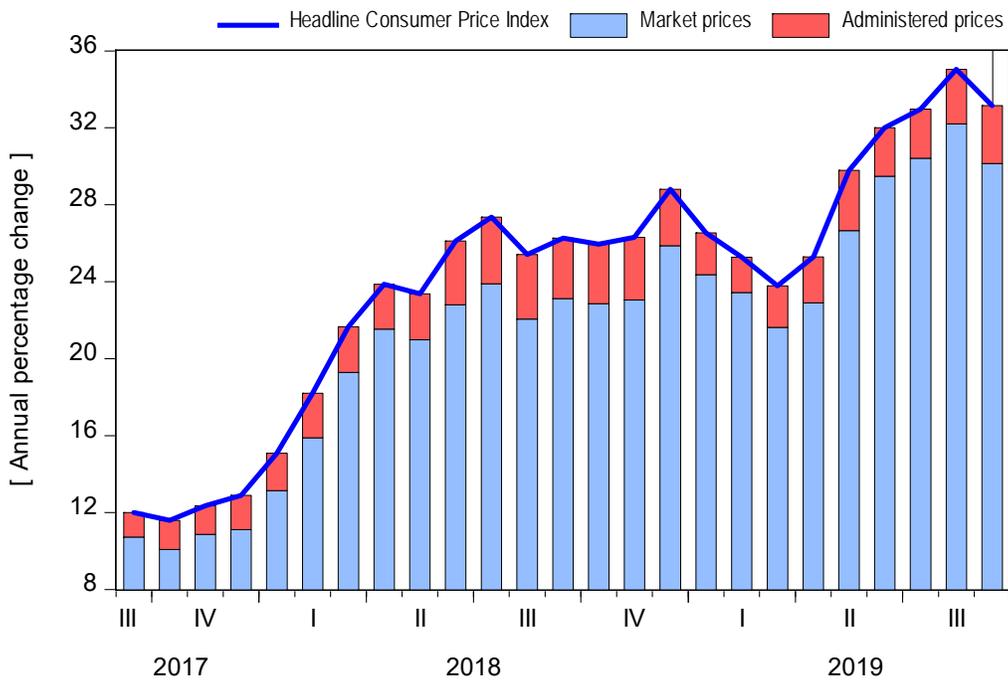
2.6.4 Administered versus Markets Prices

An analytical split of the consumer price index (CPI) basket between administered⁴ and market prices for the quarter under review revealed that inflation was mainly driven by market prices partly due to its weight in the CPI (constituting 83.89 percentage points of the CPI basket). The rise in market prices was mainly driven by volatility in international prices, structural factors and the pass-through effect of the depreciation of the Liberian dollar.

During the review quarter, market prices contributed 28.24 percentage points to 30.70 percent rate of inflation compared to the 24.06 percentage point contribution to the 27.31 rate of inflation in the last quarter and the 23.09 percentage points contribution to the 26.18 inflation rate a year ago (Chart 9). Market prices remained more volatile largely due to market forces of supply and demand compared with administered prices.

⁴ Administered prices refer to the prices that do not vary in response to short-run fluctuations in demand and supply conditions, rather, they are set either directly or indirectly by the government or by some other public institution.

Chart 9: Administered versus Market Prices



Source: CBL, Monrovia, Liberia

2.6.5 Outlook for Inflation

Headline inflation for the fourth quarter of 2019 is projected to decline slightly to 29.93 percent with a symmetric band of +/- 2 percent. Inflationary pressure for 2019 is projected at 27.91 percent, while end-of-year inflation is projected at 29.38 with a symmetric band of +/- 2 percent. The downward trend in the fourth quarter of 2019 is expected to be driven by weak demand and relative stability of the exchange rate. Attainment of a single-digit rate of inflation in the medium-to-long term will mainly depend on the level of coordination between the monetary and fiscal authorities as well as the effectiveness of the available monetary policy instruments of the CBL. Government tax policies on key commodities (especially rice and petroleum products and other imported commodities), the level of domestic food production, infrastructural development such as roads and the level of energy supply are other factors that could significantly ease the pressure on the domestic inflation rate.

Table 8: Headline and Quarterly Changes in CPI (%)

		Headline Inflation (Y-on-Y changes)			Monthly Changes in HCPI (%)		
		Combined	Food	Non-Food	Combined	Food	Non-Food
	July	9.5	12.9	5.6	2.6	3.2	1.9
	August	7.3	6.9	7.8	-0.8	-3.5	2.4
	September	6.5	3.8	9.7	1.8	1.4	2.3
	October	6	2.8	10	0.2	0.4	0
	November	9.8	9	10.6	-1.4	-1.7	-1
	December	8	5.9	4.7	0.1	-0.4	-4.7
2016	January	7	7.4	6.4	0.1	3	2.2
	February	7.1	5.5	2.8	-1.2	-2.5	-5.4
	March	7.1	5.6	2.7	1.9	3.6	0.1
	April	7.2	3.1	6	0.2	-2.6	3.6
	May	7.6	1.9	14.7	-0.3	-0.6	5.9
	June	8.4	4.1	6	5.2	4.1	-0.8
	July	8.4	5.8	11.6	2.6	4.8	7.4
	August	9.9	10.8	8.8	0.5	1.1	-0.2
	September	8.5	9.8	6.9	0.5	0.5	0.6
	October	9.9	11.7	0.9	1.6	2.1	-5.6
	November	12	14.4	9.3	0.5	0.7	7.2
	December	12.5	14.2	16.8	0.5	-0.6	1.8
2017	January	13.6	11.4	16.3	1	0.4	1.8
	February	13.3	9.9	12.1	-1.5	-3.8	-0.1
	March	11.9	4.7	14.1	0.6	-1.3	1.8
	April	11.5	6.8	14.1	-0.1	-0.6	0.2
	May	13.2	8.9	15.4	1.2	1.4	1.1
	June	10.8	7.1	20.1	3	2.4	3.3
	July	10.5	3.8	14.8	2.3	1.6	2.6
	August	12.3	5.4	17.2	2.2	2.7	1.9
	September	13.1	6	18.1	1.2	1	1.3
	October	11.9	4.2	25.8	0.5	0.4	0.5
	November	13.1	4.6	19.5	1.6	1.1	1.8
	December	13.9	4.6	20.1	1.2	-0.6	2.2
2018	January	15.5	8	20	2.4	3.7	1.7
	February	17.8	11.6	21.5	0.6	-0.7	1.2

	March	19.4	17.4	20.7	2.1	3.8	1.1
	April	21.4	20.1	22.1	1.4	1.7	1.3
	May	21.3	19.6	22.2	1.1	0.9	1.2
	June	24.5	22.4	25.8	5.8	4.9	6.3
	July	26.1	23.7	27.5	3.5	2.7	4
	August	26.1	23.3	27.7	2.2	2.4	2
	September	26.3	25.2	26.9	1.4	2.5	0.7
	October	26.6	24.2	27.9	0.7	-0.4	1.3
	November	27.1	24.9	28.3	2	1.8	2.1
	December	28.5	30.5	27.5	2.4	3.8	1.6
2019	January	23.3	30.2	19.7	-1.8	3.4	-4.5
	February	22	27.6	19.1	-0.5	-2.6	0.9
	March	25.8	23.4	27	5.3	0.4	7.9
	April	23.29	26.50	33.18	-0.59	4.25	-3.03
	May	28.74	29.86	27.18	5.58	3.60	6.66
	June	29.91	32.20	27.82	6.72	6.74	6.71
	July	29.87	31.76	27.36	3.51	2.36	4.11
	August	31.32	34.59	25.57	3.30	4.57	2.64
	September	30.90	33.18	25.57	1.05	1.43	0.84

**Table 9: Inflation by Sub-group: Year-on-Year Changes in CPI
(2018-2019)**

Food Group	Weights	Inflation Rates			
		2018q2	2018q3	2019q2	2019q3
Meat (ND)	4.82	30.57	25.40	15.80	27.70
Fish (ND)	5.54	23.30.3	20.83	10.58	22.28
Bread & Cereal (ND)	10.06	16.90	22.40	26.69	33.07
Non-Food Group					
Alcoholic Beverages, Tobacco and Narcotics	0.65	8.89	26.20	40.55	26.55
Clothing and footwear	5.21	34.06	22.86	21.23	38.37
Housing, Water, Electricity, Gas and other fuels	7.22	16.73	22.77	37.24	33.45
Furnishing, H/Hold Equip., Routine Maintenance of the house	5.21	39.28	45.13	30.89	34.59
Health	9.28	12.06	17.27	12.32	10.60
Transport	7.53	35.33	46.09	30.35	30.65
Communication	3.86	23.32	24.79	29.31	28.57
Recreation and Culture	1.03	20.67	26.13	25.11	30.92
Education	4.83	0.00	0.00	8.74	13.98
Restaurant and Hotels	17.12	21.98	27.02	29.61	38.65
Miscellaneous Goods and Services	3.98	26.03	25.55	42.64	37.97

Source: CBL & LISGIS, Monrovia, Liberia

**Table 10: Harmonized Consumer Price Index (HCPI) By Major Groups
Year-on-Year Rates of Inflation
(3rd Quarter, 2018; 2nd & 3rd Quarters 2019)
(December, 2005=100)**

Functions	WEIGHTS	Jul-18	Aug-18	Sep-18	3 rd Quarter	Apr-19	May-19	Jun-19	2 nd Quarter	Jul-19	Aug-19	Sep-19	3 rd Quarter
FOOD AND NON-ALCOHOLIC BEVERAGES	34.08	23.74	23.33	25.17	24.08	26.50	29.86	32.20	29.52	31.76	34.59	33.18	33.18
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	0.65	16.10	30.89	31.61	26.20	37.30	45.79	38.54	40.55	30.31	24.08	25.26	26.55
CLOTHING AND FOOTWEAR	5.21	27.87	20.68	20.02	22.86	14.48	20.94	28.28	21.23	42.22	43.12	29.76	38.37
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	7.22	21.39	23.72	23.20	22.77	29.51	42.37	39.85	37.24	34.03	33.11	33.22	33.45
FURNISHINGS, HOUSEHOLD, EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	5.21	48.58	42.31	44.49	45.13	27.65	31.10	33.94	30.89	28.56	33.93	41.26	34.59
HEALTH	9.28	17.84	16.01	17.95	17.27	13.94	13.73	9.28	12.32	8.48	11.59	11.73	10.60
TRANSPORT	7.53	47.97	47.31	42.99	46.09	26.13	38.55	26.37	30.35	28.22	30.52	33.20	30.65
COMMUNICATION	3.86	26.83	24.09	23.44	24.79	29.45	27.87	30.60	29.31	24.77	29.94	31.01	28.57
RECREATION AND CULTURE	1.03	25.88	26.57	25.96	26.13	20.98	26.59	27.75	25.11	38.08	26.76	27.93	30.92
EDUCATION	4.83	0.00	0.00	0.00	0.00	5.49	8.91	11.82	8.74	13.11	13.98	14.85	13.98
RESTAURANTS AND HOTELS	17.12	20.80	31.56	28.71	27.02	19.92	32.36	36.55	29.61	43.94	36.16	35.85	38.65
MISCELLANEOUS GOODS AND SERVICES	3.89	27.90	24.76	24.00	25.55	37.14	42.74	48.02	42.64	36.81	37.34	39.75	37.97
GENERAL RATE OF INFLATION	100.00	26.12	26.11	26.31	26.18	23.29	28.74	29.91	27.31	29.87	31.32	30.90	30.70

Source: CBL & LISGIS, Monrovia, Liberia

III. MONETARY DEVELOPMENTS

3.0 Monetary Policy Stance

The Central Bank of Liberia (CBL) Monetary Policy stance for the quarter ended-September 2019 was focused on the realization of a stable macroeconomic environment characterized by low inflation through broad exchange rate stability. In this vein, the CBL's policy interventions were executed via the use of several instruments, namely: Required Reserve Ratio (RRR), Standing Deposit Facility (SDF) and CBL Indexed Bill (CIB). The Bank's monetary policy was focused on liquidity management with the aim of controlling the level of Liberian dollar liquidity outside banks in the face of diminishing US dollar liquidity in order to mitigate the pressures on the Liberian dollar.

3.1 Banking Sector Development

The banking sector remained strong at end-September 2019 in terms of growths in key balance sheet indicators despite the seasonal liquidity challenges faced by the banking sector. At end-September 2019, the industry recorded improvements in the sector's key indicators relative to the second quarter of 2019 and the corresponding period a year ago. Total assets, loans and advances, deposits, profitability, liquidity and capital increased when compared to the previous quarter and the corresponding quarter in 2018. Though these trends revealed an increased in public confidence in the banking system, it is important to note that the depreciation of the domestic currency against the United States dollar impacted the increases in these key balance sheet indicators.

Capital

At end-September 2019, total capital grew to L\$30.4 billion, indicating a rise of 9.8 percent compared with the preceding quarter and rose by 31.9 percent compared with the corresponding quarter of 2018. However, one of the nine banks reported capital below the minimum regulatory requirement of US\$10.0 million. In terms of Capital Adequacy Ratio (CAR), all the nine banks were in surplus of the minimum regulatory requirement of 10.0 percent. The industry's CAR reported for the reporting quarter stood at 28.0 percent, 82.0 basis points below the preceding quarter, but an increase of 62.0 basis points compared with the corresponding quarter of 2018. The

annual growth in CAR was primarily triggered by the increases in the banks' risk weighted assets and the adjusted capital on their balance sheets.

Assets and Liquidity

Total assets reported at end-September 2019 stood at L\$197.6 billion, reflecting an increase of 12.3 percent compared with L\$175.9 billion recorded at end-June 2019 and an increase of 40.6 percent compared with the same quarter in 2018. Similarly, total liquid assets in the industry grew by 18.7 percent to L\$52.8 billion against the amount recorded in the second quarter, 2019 and 39.8 percent increase relative to the same quarter a year ago. This trend in liquid assets triggered a liquidity ratio of 45.4 percent during the review period, representing a 6.0 percentage points increase compared with 39.4 percent recorded at end-June 2019 and a 6.0 percentage points expansion when matched against amount reported in the same period in 2018.

At end-September 2019, the largest component of the industry's assets – loans and advances – rose by 6.6 percent to L\$91.8 billion compared with L\$84.9 billion reported at the end of the preceding quarter. Of the total stock of loans and advances in the review quarter, non-performing loan (NPL) was L\$10.5 billion, reflecting a growth of 10.5 percent compared to end-June 2019. Annualized comparison showed that total loans and advances during the review quarter declined by 0.1 percent, from L\$91.9 billion in the same quarter in 2018, while the volume of NPL also slowdown by 1.0 percent, from L\$10.6 billion in the same period. Non-performing loan ratio recorded for the third quarter of 2019 stood at 12.9 percent compared with 13.4 percent reported in the preceding quarter and 14.5 percent in the corresponding quarter in 2018.

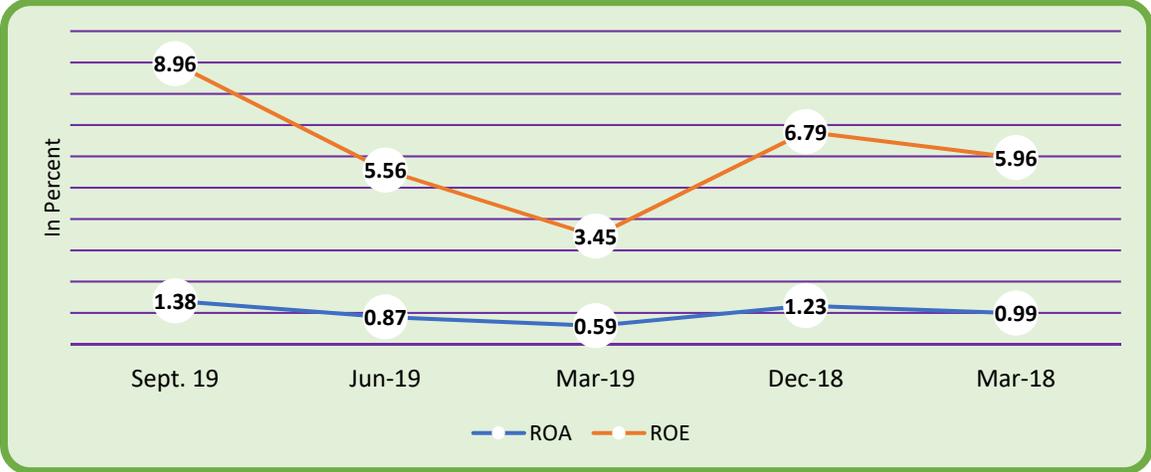
Profitability of the Banking System

Gross operational income at end-September 2019 was L\$14.2 billion, increasing by 56.0 percent more than the amount recorded in the second quarter, 2019 and 44.0 percent, compared with the corresponding quarter in 2018. The main revenue sources are classified as interest and non-interest income which include income on loans and advances and service charges on deposits, commissions and fees on money transfer as well as foreign exchange transactions. Interest income constituted 48.7 percent, while non-interest income accounted for 51.3 percent of gross operational income during the review quarter. On the other hand, operating expenses stood at L\$10.3 billion,

reflecting a rise of 57.0 percent, from L\$6.6 billion in the preceding period. Yearly comparison showed that operating expenses grew by 44.0 percent. The increase in operating expenses during the review quarter were due to growth in administrative and general expenses, including salaries, utilities.

Both return on assets (ROA) and return on equity (ROE) increased in the review quarter. Net operating profit of the industry at end-September 2019 stood at L\$2.6 billion, representing a growth of 67.0 percent compared with the corresponding quarter in 2018.

**Table 10: Quarterly Trend in ROA and ROE
2018q2 – 2019q3**



Source: Central bank of Liberia

3.2 Commercial Bank Credit

Commercial banks credits to various sectors of the Liberian economy grew by 8.3 percent to L\$91,894.5 million at end-September 2019, from L\$84,894.6 million reported at end-June 2019. The expansion in the stock of credit to the economy, on a quarterly basis, was primarily driven by credits extended to individual, construction, public corporations, and services sectors.

The distribution of sectoral contributions to total credit expansion revealed that personal loans (households) increased by 3.24 percentage points; construction by 2.30 percentage points; trade by 1.86 percentage points; public corporation by 1.42 percentage points; manufacturing by 0.59 percentage point; services by 0.19 percentage point; extractive sector by -0.01 percentage point; loans to general government by -0.05 percentage point; agriculture by -0.20 percentage point; oil

and gas by -0.84 percentage point and loans to other sector by -0.25 percentage point. On an annualized basis, total stock of credit to the economy rose by 26.3 percent, primarily on account of growths in loans to trade, services, oil and gas, individuals, public corporations and construction sectors (Table 11).

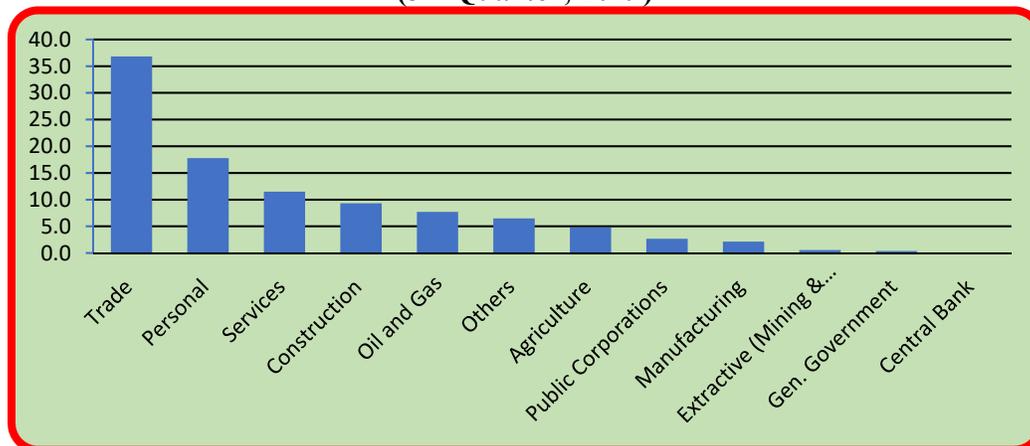
Much of the growth in total credit to all sectors of the economy in the review period was mainly attributed to the depreciation of the domestic currency. The US-dollar credits to the economy during the quarter constituted 92.2 percent of total credits reflecting a 1.4 percent expansion to US\$403.5 million compared with US\$398.1 million recorded in the preceding quarter. However, on a year-on-year basis, US dollar credit declined by 4.8 percent. Considering the level of depreciation of the Liberian dollar, when the US-dollar stock of credit at the end of the review quarter (US\$403.5 million) is converted to Liberian dollar, total credit grew by 26.3 percent at end-September 2019. The private sector accounted for 97.0 percent of the total credit portfolio in the economy.

**Table 11: Commercial Bank Loans by Economic Sectors
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions of L\$)**

	2018		2019				Contributions to Credit Growth	
	3 rd Quarter	Share	2 nd Quarter	Share	3 rd Quarter	Share	Q-O-Q	Y-O-Y
Agriculture	4,277.9	5.9	4,581.0	5.4	4,408.7	4.8	-0.20	0.18
Extractive (Mining & Quarrying)	664.1	0.9	498.7	0.6	494.1	0.5	-0.01	-0.23
Manufacturing	1,773.2	2.4	1,444.9	1.7	1,942.9	2.1	0.59	0.23
Construction	7,335.5	10.1	6,603.3	7.8	8,552.6	9.3	2.30	1.67
Services	6,767.1	9.3	10,401.5	12.3	10,562.1	11.5	0.19	5.22
Trade	22,862.8	31.4	32,230.0	38.0	33,812.8	36.8	1.86	15.06
Personal	14,468.5	19.9	13,562.5	16.0	16,315.7	17.8	3.24	2.54
Gen. Government	1,227.6	1.7	378.7	0.4	333.2	0.4	-0.05	-1.23
Central Bank	0	0	0	0	0	0	0.00	0.00
Public Corporations	674.9	0.9	1,228.3	1.4	2,433.9	2.6	1.42	2.42
Oil and Gas	5,315.3	7.3	7,791.4	9.2	7,080.7	7.7	-0.84	2.43
Others	7,366.8	10.1	6,174.2	7.3	5,957.8	6.5	-0.25	-1.94
Total Loan All Sectors (LD & USD)	72,733.5	100.0	84,894.6	100.0	91,894.5	100.0	8.25	26.34
<i>O/W TOTAL Private Sector (LD & USD)</i>	<i>70,831.1</i>	<i>97.38</i>	<i>83,287.6</i>	<i>98.11</i>	<i>89,127.4</i>	<i>96.99</i>	<i>6.88</i>	<i>25.16</i>

Source: Central Bank of Liberia

**Chart 11: Percentage Distribution of Commercial Bank Loans by Economic Sectors
(3rd Quarter, 2019)**



Source: Central Bank of Liberia

3.3 Interest Rates

All interest rates remained stable for the third quarter of 2019 compared with the previous quarter. The average interest rate on prime lending remained at 12.44 percent, personal loan rate at 12.78 percent, mortgage rate at 14.88 percent, time deposit rate at 3.53 percent, saving rate at 2.10 percent and the rate on certificate of deposits at 3.25 percent (Table 12). The spread between the average lending and saving rates was unchanged at 10.3 percent, relative to the preceding quarter. Similarly, on a year-on-year basis, all interest rates remained the same, except the interest rates on mortgage and personal loan. The interest rate on mortgage rose by 150 basis points to 14.88 percent from 13.38 percent while the rate on personal loan fell by 50 basis points to 12.78 percent, from 13.28 percent both recorded for the same period a year ago.

**Table 12: Commercial Bank’s Interest Rates
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**

	2018	2019	
	3 rd Quarter	2 nd Quarter	3 rd Quarter
Avg. Prime Lending Rate	12.44	12.44	12.44
Avg. Personal Loan Rate	13.28	12.78	12.78
Avg. Mortgage Rate	13.38	14.88	14.88
Avg. Time Deposit Rate	3.53	3.53	3.53
Avg. Savings Rate	2.10	2.10	2.10
Avg. Rate on CDs	3.25	3.25	3.25

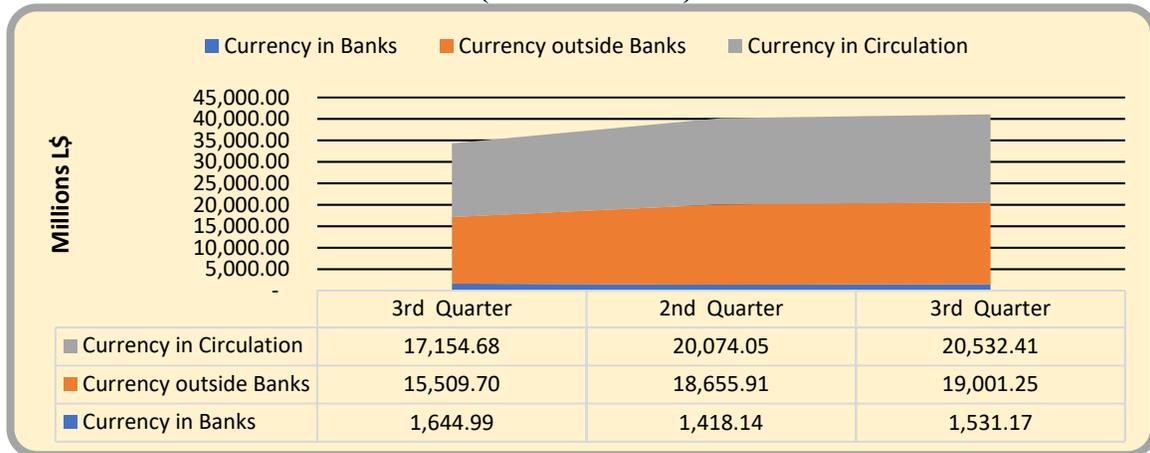
Source: Central Bank of Liberia, Monrovia, Liberia

3.4 Liberian Dollar in Circulation

The stock of Liberian dollar in circulation at end-September 2019 expanded by 2.3 percent to L\$20,532.4 million, from L\$20,074.0 million for the quarter ended-June 2019. This expansion was triggered by 8.0 percent and 1.9 percent increases in currency in banks and currency outside the banking system, respectively.

Compared with the corresponding period in 2018, the Liberian dollar in circulation grew by 19.7 percent (Table 13 & Chart 13). At end-September 2019, currency in banks only constituted 7.5 percent of total currency in circulation, reflecting the huge challenge associated with monetary policy implementation.

**Chart 12: Liberian Dollars in Circulation
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions L\$)**



Source: Central Bank of Liberia

3.5 Money Supply (M1)

Narrow money (M1) at end-September 2019 grew by 3.8 percent to L\$77,296.7 million, compared with the L\$74,448.6 million reported at end-June 2019. The expansion was on account of a 4.5 percent and 1.9 percent growths in demand deposits and currency outside banks, respectively. When matched with the corresponding period a year ago, M1 grew by 17.8 percent (Table 13 and Chart 14).

Table 13: Broad Money Supply and its Sources
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions of L\$)

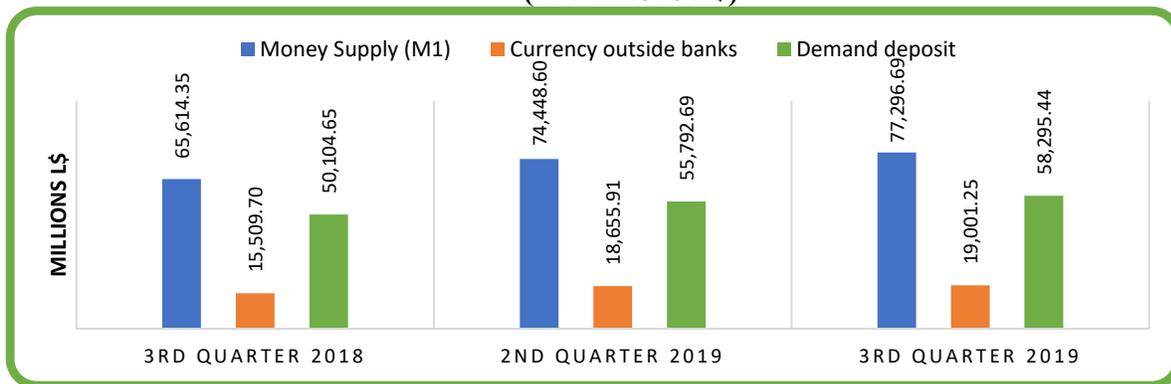
Monetary Aggregates	2018	2019		Percentage Change	
	3 rd Quarter	2 nd Quarter	3 rd Quarter	Q-o-Q	Y-o-Y
1.0 Money Supply M2 (1.1 + 1.2)	100,378.0	115,122.1	119,386.6	3.7	18.9
1.1 Money Supply M1	65,614.3	74,448.6	77,296.7	3.8	17.8
1.1.1 Currency outside banks	15,509.7	18,655.9	19,001.2	1.9	22.5
1.1.2 Demand deposit 1/	50,104.7	55,792.7	58,295.4	4.5	16.3
1.2 Quasi Money	34,763.7	40,673.5	42,092.0	3.5	21.1
1.2.1 Time & Savings deposits	34,072.0	40,267.3	41,690.4	3.5	22.4
1.2.2 Other deposits 2/	691.6	406.2	399.5	-1.6	-42.2
2.0 Net Foreign Assets	19,013.7	9,347.6	12,049.2	28.9	-36.6
2.1 Central Bank	4,824.3	-7,311.6	-6,859.4	-6.2	-242.2
2.2 Banking Institutions	14,189.4	16,659.1	18,908.6	13.5	33.3
3.0 Net Domestic Assets (1 - 2)	81,364.3	105,774.5	107,337.4	1.5	31.9
3.1 Domestic Credit	128,475.6	181,561.1	192,326.2	5.9	49.7
3.1.1 Government (net)	46,625.8	86,809.5	89,851.2	3.5	92.7
3.1.2 Pvt. Sector & Other	81,849.8	94,751.5	102,475.1	8.2	25.2
3.2 Other assets Net (3 - 3.1)	47,111.3	75,786.6	84,988.8	12.1	80.4
Memorandum Items					
1. Overall Liquidity	100,378.0	115,122.1	119,386.6	3.7	18.9
2. Reserve Money	37,208.7	36,951.6	39,005.3	5.6	4.8
Currency outside banks	15,509.7	18,655.9	19,001.2	1.9	22.5
Banks Reserves	21,007.3	17,889.5	19,604.5	9.6	-6.7
Other Deposits at CBL	691.6	406.2	399.5	-1.6	-42.2

Source: Central Bank of Liberia

1/Excludes managers cheques from commercial banks

2/ Includes official and managers checks issued by the Central Bank

Chart 13: Narrow Money Supply (M1)
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions L\$)

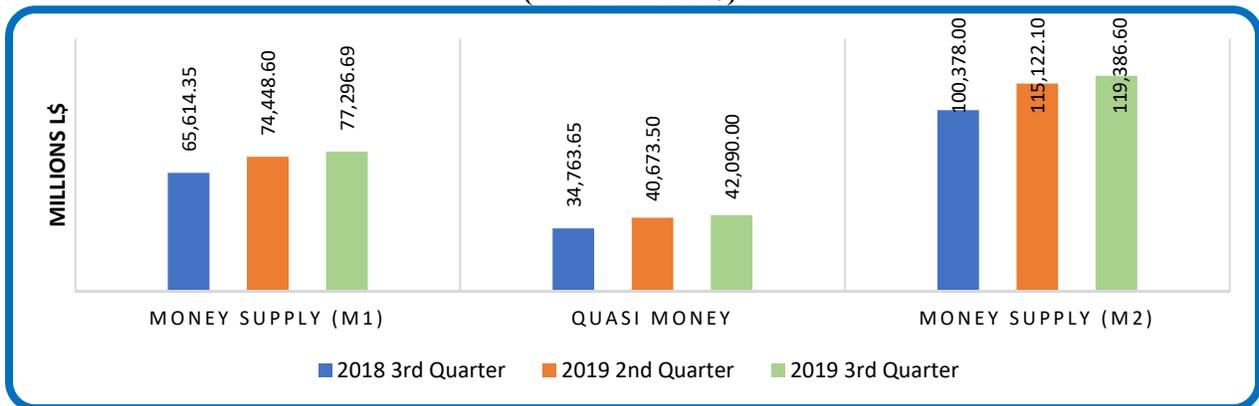


Source: Central Bank of Liberia

3.6 Broad Money Supply (M2)

Broad money supply (M2) at end-September 2019 expanded by 3.7 percent to L\$119,386.6 million, from L\$115,122.1 million reported at end-June 2019, driven by growths in demand deposits and time and savings deposits. From the assets side, the expansion in M2 was triggered by increases in both Net Foreign Asset (NFA) and Net Domestic Assets (NDA). Annual comparison showed that broad money grew by 18.9 percent, exclusively occasioned by 31.9 percent growth in NDA which offsets a 36.6 percent decline in NFA (Table 13). Also, for the quarter under review, the Liberian dollar share of M2 deteriorated by 1.6 percent.

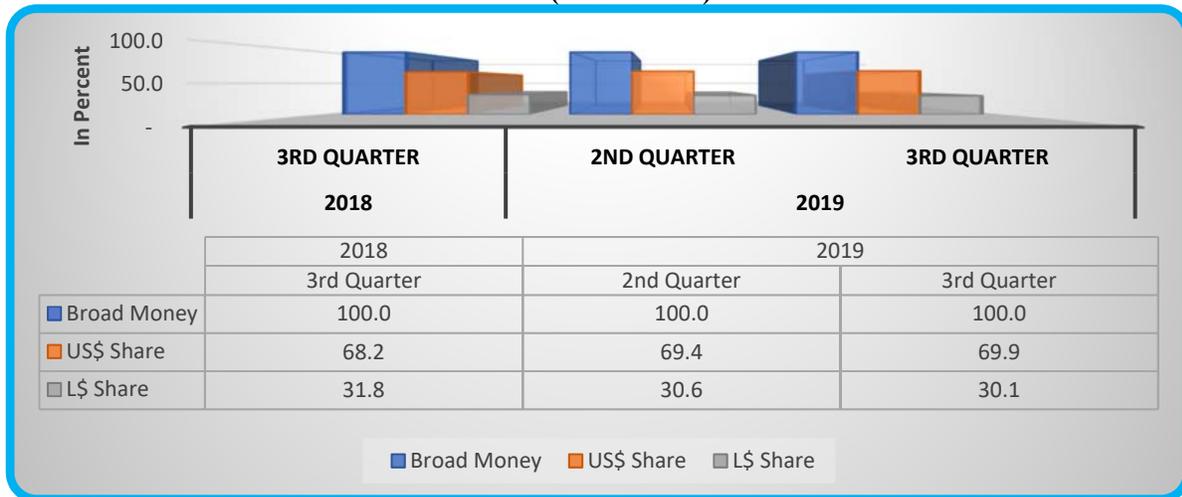
Chart 14: Broad Money Supply (M2)
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions L\$)



Source: Central Bank of Liberia

The US and Liberian dollar components of M2 for the third quarter of 2019 stood at 69.9 percent and 30.1 percent, respectively. The significant share of United States dollar in the overall level of money supply indicates the high degree of dollarization of the economy. As earlier stated, the high level of dollarization poses significant challenge to monetary policy implementation (Table 13 and Chart 16).

**Chart 15: Broad Money: Share of US and Liberian Dollars
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Percent)**



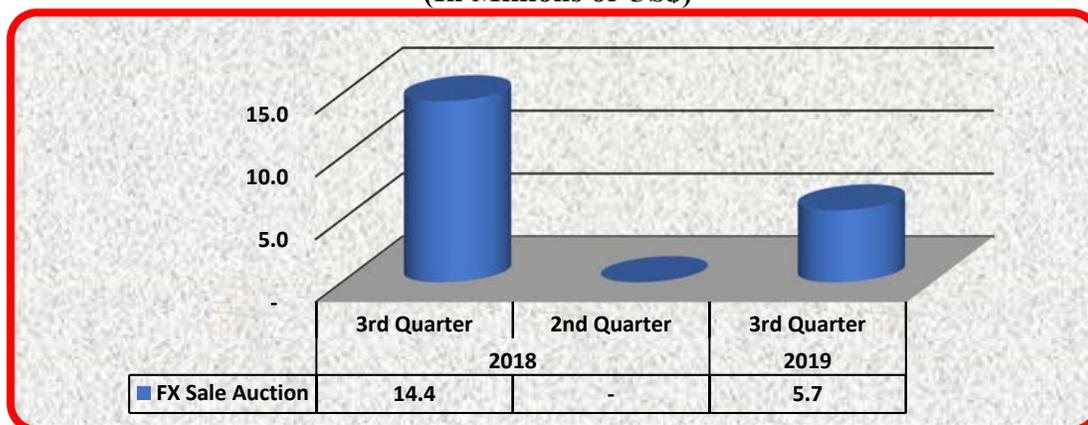
Source: Central Bank of Liberia

IV. MONEY MARKET DEVELOPMENTS

4.0 Foreign Exchange Intervention

During the reporting quarter ended-September 2019, the total intervention in the FX market amounted to US\$5.7 million, representing 60.3 percent decline from US\$14.4 million sold when matched against the FX intervention reported in the same period a year ago. However, there was no intervention in the preceding quarter neither an issuance nor a redemption of 91-day T-bill during review quarter. However, government issued an indexed bill in the tune of L\$700.0 million with an average interest rate of 7.5 percent.

**Chart 16: CBL Foreign Exchange Auction
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions of US\$)**



Source: Central Bank of Liberia

**Table 14: Government of Liberia Treasury Bill Auction
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions of L\$)**

Date	Maturity Date	Amount Offered	Amount Issued	Settlement Amount Value	Over/(Under) Subscription (LRS)	Interest at Maturity	Weighted Average Discount Rate (%)
3rd Quarter 2019							
Total		-	-	-	-	-	-
2nd Quarter 2019							
Total		-	-	-	-	-	-
3rd Quarter 2018							
2-Aug-18	1-Nov-18	75.75	75.75	75.17	34.40	0.58	3.08
13-Aug-18*	13-Jul-19	447.56	447.56	447.56		28.67	7.00
6-Sep-18	6-Dec-18	77.07	69.24	68.66	7.83	0.58	3.34
Total (US\$)		447.56	447.56	447.56	-	28.67	7.00
Total (L\$)		152.82	144.99	143.83	42.23	1.16	3.21

Source: Central Bank of Liberia

**Chart 17: Average Quarterly Yields (in percent)
Government of Liberia 91-Day Treasury bill Auctions
(2016-2019q3)**



+Source: Central Bank of Liberia

4.1 Central Bank of Liberia Bill and SDF

During the quarter ended September 2019, CBL offered L\$3.8 billion indexed bill. This amount was the unsubscribed portion of the targeted amount (L\$5.0 billion) offered in the second quarter of 2019. Of the L\$3.8 billion offered, L\$572.59 million was issued during the reporting quarter thereby representing a 52.3 percent reduction in CBL indexed bill issuance when compared with the preceding quarter. This reduction in the issuance of indexed bill by the CBL was attributed to the availability of other monetary policy instruments, especially the standing deposit facility (SDF).

For the reporting quarter, CBL issued L\$9.0 billion SDF to commercial banks at the rate of 4.0 percent, representing a growth of 100 percent compared with L\$4.5 billion issued in the previous quarter.

**Table 15: CBL Index Bills
(1st, 2nd & 3rd Quarters, 2019)
(In Millions of LS)
3rd Quarter, 2019**

COMMERCIAL BANK ISSUANCE				
Issuance Date	Maturity Date	Amount Offered	Amount Issued	Interest Rate (%)
5-Jul-19	4-Jul-20	1,245.00	89.80	7
10-Sep-19	9-Sep-20	1,155.20	80.00	7
20-Sep-19	19-Sep-20	1075.20	300.00	7
30-Sep-19	29-Sep-20	775.20	100.00	7
UNSUBSCRIBED BALANCE		675.20		
RETAIL INVESTORS VIA COMMERCIAL BANKS				
Issuance Date	Maturity Date	Amount Offered	Amount Issued	Interest Rate (%)
5-Jul-19	4-Jul-20	2,991.60	0.40	7
12-Jul-19	11-Jul-20	2,991.20	0.15	7
12-Jul-19	11-Jul-20	2,991.05	0.04	7
12-Jul-19	11-Jul-20	2,991.01	0.2	7
12-Jul-19	11-Jul-20	2,990.80	0.2	7
13-Sep-19	12-Sep-20	2,990.61	0.6	7
20-Sep-19	19-Sep-20	2,989.40	1.2	7
UNSUBSCRIBED BALANCE		2,987.61		
2nd Quarter, 2019				
COMMERCIAL BANK ISSUANCE				
Issuance Date	Maturity Date	Amount Offered	Amount Issued	Interest Rate (%)
5-Apr-19	4-Apr-19	1,495.00	150	7
5-Apr-19	4-Apr-19	1,495.00	150	7
10-May-19	9-May-19	1,345.00	100	7
18-Jun-19	17-Jun-19	1,245.00	388.4	7
UNSUBSCRIBED BALANCE		856.60		
RETAIL INVESTORS VIA COMMERCIAL BANKS				
Issuance Date	Maturity Date	Amount Offered	Amount Issued	Interest Rate (%)
7-May-19	6-May-20	2,994.00	0.9	7
24-May-19	23-May-20	2,993.20	0.11	7
11-Jun-19	10-Jun-20	2,993.10	1.4	7
26-Jun-19	25-Jun-20	2,991.70	0.062	7
UNSUBSCRIBED BALANCE		2,991.60		

Source: Central Bank of Liberia

V. EXTERNAL SECTOR DEVELOPMENTS

5.0 Overview of Balance of Payments (BOP)

During the review quarter, developments in the external sector remained challenging, characterized by widening current and capital accounts deficit. Preliminary statistics on Liberia's transactions with the rest of the world reflected a deterioration in the current account, relative to the second quarter of the year. The current account deficit grew by 19.6 percent to US\$225.0 million (28.6 percent of GDP), from US\$188.2 million (23.8 percent of GDP) recorded in the preceding quarter. This weak performance for the second consecutive quarter was attributed mainly to increase in net payments for goods and services as well as decline in personal remittances inflows. On a year-on-year basis, the deficit deteriorated modestly by 7.6 percent as a result of significant drop in trade deficit and secondary income (net). The capital account balance recorded a decrease due to estimated fall in investment grants from development partners to the Government of Liberia (GOL).

The financial account balance showed an improvement in net borrowing from the rest of the world, reflecting a sharp decline in net incurrence of liabilities during the review quarter. The financial account balance declined by 48.2 percent to US\$31.7 million (4.0 percent of GDP), from US\$61.2 million (7.7 percent of GDP) reported in the previous quarter. The fall in financial account balance during the quarter was mainly due to slight improvement in reinvestment of earnings. Year-on-year comparison revealed that the financial account balance improved by US\$35.5 million, from US\$67.2 million (8.2 percent of GDP) in September 2018.

The overall balance decreased to US\$0.4 million (0.1 percent of GDP) at the end of the third quarter of 2019 compared to a balance of US\$7.0 million (0.9 percent of GDP) recorded in the previous quarter of 2019. The drop in the overall balance reflects decline in the reserve assets during the review quarter. The decline in reserves, coupled with a rise in import payments, led to a slight decline in months of imports cover by 0.1 month to 2.3 months.

Table 16: Balance of Payments Statistics
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)
(In Million USD)

Account Description	2018	2019	
	Q – 3	Q – 2r	Q – 3p
Current account (CA)	(209.24)	(188.18)	(225.04)
Credit	234.80	246.08	219.97
Debit	444.04	434.26	445.01
Goods and services	(229.32)	(186.77)	(218.90)
Credit	106.43	146.77	128.00
Debit	335.75	333.54	346.90
Goods (net): surplus (+)/ deficit (-)	(170.05)	(105.75)	(133.26)
Credit (Exports)	100.31	143.83	125.14
Iron ore	17.93	59.19	51.66
Rubber	12.17	24.77	21.18
Mineral (Gold & Diamond)	55.66	49.11	43.76
Palm oil	1.71	3.44	3.19
Other exports (excluding gold)	12.84	7.32	5.35
Debit (Imports)	270.36	249.58	258.40
Food and Live Animals (including Animals & Vegetable Oil)	72.78	77.27	86.09
<i>O/w Rice</i>	23.83	40.03	50.56
Minerals, Fuel, Lubricants ¹	32.29	37.36	25.79
<i>O/w Petroleum Products</i>	23.99	28.36	21.89
Machinery & Transport Equipment	69.78	50.72	71.42
Manufactured goods classified by materials	46.94	33.50	31.08
Other Imports	48.57	50.73	44.02
General merchandise on a balance of payments basis	(219.68)	(150.96)	(172.84)
Credit	50.68	98.62	85.56
Debit	270.36	249.58	258.40
Of which Re-exports (credit)	0.00	0.00	0.00
Nonmonetary Gold (credit)	49.63	45.21	39.58
Services	(59.27)	(81.02)	(85.64)
Credit	6.12	2.94	2.86
Debit	65.39	83.96	88.50
Primary Income	(28.97)	(24.66)	(25.57)
Credit	6.93	8.83	9.97
Debit	35.90	33.49	35.54
Secondary Income	49.05	23.25	19.43
Credit	121.44	90.48	82.00
Debit	72.39	67.23	62.57
Capital Account (KA)	73.22	78.45	59.68
Credit	73.22	78.45	59.68
Debit	0.00	0.00	0.00
Net Lending (+)/Net Borrowing (-) balance from CA & KA	(136.02)	(109.74)	(165.36)
Financial Account (FA)			

Net Lending (+)/Net Borrowing (-) balance from FA	(67.18)	(61.21)	(31.68)
Direct investment	(16.73)	(22.43)	(29.53)
Net acquisition of financial assets	0.00	0.00	0.00
Net incurrence of liabilities	16.73	22.43	29.53
Other investment	(18.75)	(31.76)	(1.79)
Net acquisition of financial assets	17.34	15.24	3.55
Net incurrence of liabilities	36.09	47.00	5.34
Reserve assets	(31.70)	(7.02)	(0.36)
NET ERRORS & OMISSIONS	68.84	48.53	133.68
Overall Balance	31.70	7.02	0.36
MEMORANDUM ITEMS			
Gross Foreign Reserves Position	312.56	284.10	284.61
Import Payments (CIF)	297.23	276.67	283.20
Imports (CIF) & Service Payments	362.62	360.63	371.71
Current Account Balance excluding Grants	(223.64)	(189.91)	(225.84)
Nominal GDP†	815.59	791.03	785.89
Current Account Bal. (% of GDP)	(25.66)	(23.79)	28.64
Current Account Bal. including Grants (% of GDP)	(27.42)	(24.01)	(28.74)
Trade (in goods) Deficit % of GDP	(20.85)	(13.37)	(16.96)
Capital Account Bal. (% of GDP)	8.98	9.92	7.59
Financial Account Bal. (% of GDP)	(8.24)	(7.74)	(4.03)
Months of Imports Cover††	2.6	2.4	2.3

Source: Central Bank of Liberia

r - revised; p - preliminary

† Quarterly NGDP is estimated at 1/4th of annual nominal GDP projection by IMF (NGDP in 2018 – US\$3,249.0 million

and 2019 is US\$3,221 million); †† Months of imports cover per 3 months

5.1 Financial Account (FA)

5.1.1 Direct Investment

During the review quarter, direct investment (DI) inflows amounted to US\$29.5 million (3.8 percent of GDP), rising by 31.7 percent, from US\$22.4 million (2.8 percent of GDP) recorded in the preceding quarter. The increase in inflows of direct investment was mainly a result of growth in reinvestment of earnings of foreign direct investment enterprises. On a year-on-year basis, DI inflows increased from US\$16.7 million (2.1 percent of GDP) in the third quarter of 2018, influenced by reinvestment of earnings.

5.1.2 Other Investment

Other investment(net) improved, resulting from significant decline in incurrence of liabilities to the rest of the world that exceeded the decline in net acquisition of financial assets during the review quarter. Other investment (net) dropped to US\$1.8 million (0.2 percent of GDP) in the quarter, from US\$31.8 million (4.0 percent of GDP) in the previous quarter, due to declines in both non-resident deposits of currency and deposits of commercial banks by 72.2 percent and disbursement of new loans to the government by 79.6 percent coupled with an increase in repayment of loans by over 100 percent compared with the previous quarter.

5.1.3 Reserve Assets

Reserve assets during the review quarter recorded a minimal decrease by US\$0.4 million compared with US\$7.0 million fall in the previous quarter. The fall in reserve assets resulted from decrease in holdings of foreign currency of reserve assets. Compared with the corresponding quarter a year ago, reserve assets fell by US\$31.4 million in the quarter under review from US\$31.7 million in the same quarter a year ago.

5.3 Capital Account (KA)

Official transfers remained the key driver of changes in the capital account. At end-September 2019, preliminary statistics showed that the balance of capital account dropped to US\$59.7 million (7.6 percent of GDP), from US\$78.5 million (9.9 percent of GDP) in the previous quarter, mainly underpinned by slowdown in investment grants from development partners to the GOL. Compared with the same quarter a year ago, capital account balance fell by 18.5 percent, from US\$73.2 million (9.0 percent of GDP) due to slowdown in grants receivables for infrastructure projects.

5.4 Current Account (CA)

Based on preliminary statistics during the quarter, the current account deficit deteriorated to US\$225.0 million (28.6 percent of GDP), from US\$188.2 million (23.8 percent of GDP) in the previous quarter, on account of significant drops in balances of goods and services and secondary income. The unfavorable balance of good and services arose from decline in earnings from export of goods coupled with a sharp rise in payments for goods and services. The fall in the balance of secondary income was due to decline in receipt of remittances compared to the decline in outflows

of remittances abroad. Current account deficit on annual basis deteriorated from 25.8 percent of GDP in the third quarter of 2018, due mainly to a significant decrease in receipts of secondary income on the back of decline in inflows of remittances.

5.5 Goods Account (net)

Trade deficit widened considerably during the third quarter of 2019 compared with the preceding quarter on account of sharp fall in receipts from exports against the increase in payments for imports. Merchandise trade deficit surged by 26.0 percent to US\$133.3 million (17.0 percent of GDP), from US\$105.8 million (13.4 percent of GDP) in the preceding quarter of 2019. However, compared with the same quarter a year ago, merchandise trade balance improved by 21.6 percent, on the back of significant rise in earnings from exports against the fall in payments for imports.

Compared with the US\$143.8 million (18.2 percent of GDP) recorded in the preceding quarter, preliminary statistics showed that merchandise export earnings decreased by 13.0 percent to US\$125.1 million (15.9 percent of GDP) during the review quarter, occasioned mainly by falls in export receipts from key export commodities including minerals (especially iron ore and gold) and rubber. The decline in earnings from mineral was occasioned basically by slowdown in the volumes of iron ore and gold exports, while the fall in receipts from rubber export was influenced by lower price of the commodity during the quarter. Year-on-year comparison of export proceeds showed an increase of 24.8 percent, explained mainly by increases in receipts from iron ore and rubber exports.

Payments for import increased during the quarter by 3.5 percent to US\$258.4 million (32.9 percent of GDP), prompted by increases in payments for two key commodities groups “food and live animals (including oil produced from animals and vegetables) and machinery and transport equipment. Payments for food and live animals (including oil produced from animals and vegetables) which constituted 33.3 percent of total import payments during the quarter rose by 11.4 percent compared with the preceding quarter due to efforts by major importers to buildup inventory, especially rice in the wake of favorable global market prices.

Similarly, import payments for machinery and transport equipment group, which accounted for 27.6 percent of total import payments, increased by 40.8 percent, led mainly by import payments for mining and construction. Year-on-year comparison of merchandise import payments showed that total payments declined by 4.4 percent as a result of decrease in payments for manufactured goods in the form of raw materials and minerals, fuel and lubricant groups, thus reflecting slowdown in the real sector activity.

**Table 17: Quarterly Commodity Composition of Trade
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)
(In Million USD, except otherwise indicated)**

S/N	Commodity	Unit	2018			2019					
			Q – 3			Q – 2r			Q – 3p		
			Volume (000)	Value	share	Volume (000)	Value	share	Volume (000)	Value	share
a.	Total Exports			100.31	100.00		143.83	100.00		125.14	100.00
	Rubber	Mt.	9.05	12.17	12.13	15.49	24.77	17.22	17.73	21.18	16.92
	Cocoa	Mt.	0.24	0.11	0.11	0.48	0.34	0.23	1.67	1.19	0.95
	Iron Ore	Mt.	627.28	17.93	17.87	1,155.65	59.19	41.15	780.38	51.66	41.28
	Mineral			55.66	55.49		49.11	34.15		43.76	34.97
	o/w Diamond	Crt	16.94	6.03	10.84	11.61	3.91	7.95	17.77	4.18	9.55
	o/w Gold	Oz	52.68	49.63	89.16	48.01	45.21	92.05	37.48	39.58	90.45
	Palm Oil	Mt.	2.18	1.71	1.70	6.38	3.44	2.39	8.86	3.19	2.55
	Other Exports			9.09	9.06		3.54	2.46		0.98	0.78
	Goods procured ¹			3.64	3.63		3.44	2.39		3.18	2.54
b.	Total Import			270.36	100.00		249.58	100.00		258.40	100.00
	Food and Live Animals			68.25	25.24		73.18	29.32		81.92	31.70
	o/w Commercial Rice			22.35	32.74		36.12	49.35		49.90	60.92
	o/w Non-Commercial Rice			1.48	2.17		3.91	5.34		0.66	0.80
	Beverages and Tobacco			5.01	1.85		5.87	2.35		2.74	1.06
	Crude Material & Inedible, except Fuel			6.39	2.36		5.20	2.08		5.85	2.26
	Minerals, Fuel Lubricants			32.29	11.94		37.36	14.97		25.79	9.98
	o/w Petroleum products			23.99	74.29		28.36	75.90		21.89	84.88
	Animals & Vegetable Oil			4.53	1.68		4.09	1.64		4.17	1.61
	Chemicals & related Products			25.13	9.30		32.86	13.17		25.20	9.75
	Mfg. Goods classified by Materials			46.94	17.36		33.50	13.42		31.08	12.03
	Machinery & Transportation Equip			69.78	25.81		50.72	20.32		71.42	27.64
	Misc. Mfg. Articles			12.05	4.46		6.79	2.72		10.23	3.96
c.	Total Trade = (a + b)			370.67			393.41			383.54	
d.	Trade Balance (+ surplus, - deficit) = (a-b)			(170.05)			(105.75)			(133.26)	

Source: Liberia Revenue Authority (CUSTOM ASYCUDA), Firestone Liberia, Total Liberia, Ministry of lands, Mines & Energy;

r - revised; p - preliminary

5.6 Services Account (net)

During the quarter under review, preliminary statistics indicated that receipts for services declined, while payments rose. Earnings from exports of services fell slightly by 2.7 percent, mainly on

account of reduction insurance services by 1.1 percent. On the other hand, payments for services rose by 5.4 percent due to increases in payments for transport services and goods and other services provided to public enterprises by 8.7 percent and 30.5 percent, respectively.

The fall in payments during the review quarter resulted to a slight increase in net services payments. On the overall, net services payments rose to US\$85.6 million, from US\$81.0 million in the preceding quarter due to increase in services on goods and other services provided to public enterprises. Year-on-year comparison showed a widening of net services payments by 44.4 percent, occasioned by slump in receipts for services that outweighed payments for services rendered to nonresidents.

5.7 Primary Income (net)

The deficit in primary income deteriorated slightly during the third quarter of 2019 on account of rise in income payables in excess of income receivables. Income receivables rose by 12.9 percent due to increase in estimated reinvestment of earnings, while the moderate rise in payments was attributed to increase in payments of interest on general government loans. Net payments of primary income widened to US\$25.6 million (3.3 percent of GDP), from US\$24.7 million (3.1 percent of GDP) in the preceding quarter. The amount of net primary income implies that Liberia paid more (US\$35.5 million) in primary income than it received (US\$10.0 million). Compared with the same quarter a year ago, net primary income payable moderated by 11.7 percent due mainly to decline in investment income.

5.8 Secondary Income (net)

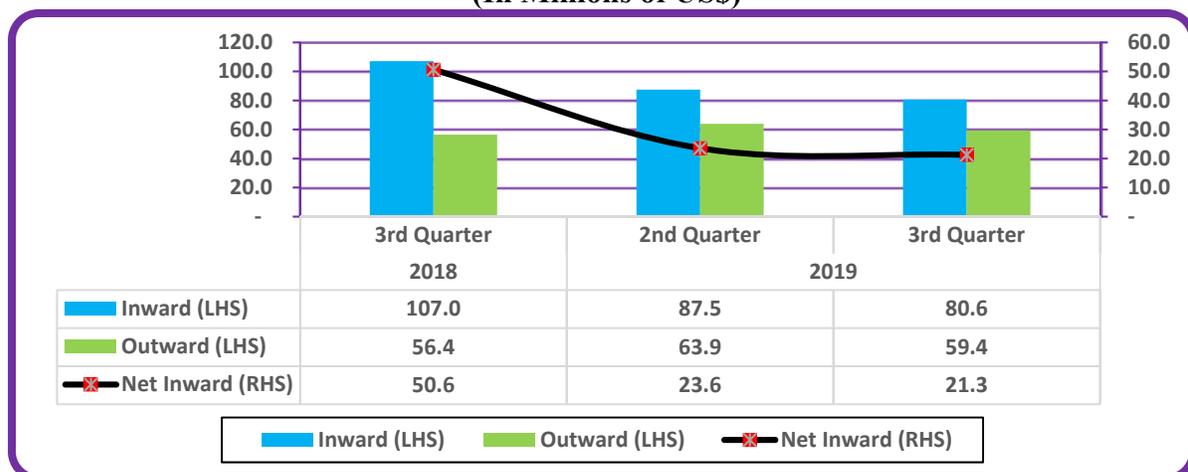
During the quarter under review, secondary income (net) amounted to US\$19.4 million (2.5 percent of GDP). Compared with the quarter ended June 2019, net inflows declined by 16.4 percent due to decline in inflows that exceeded the fall in outflows. The decline in both inflows and outflows of secondary income was occasioned mainly by slowdown in inwards and outwards remittances to and from Liberia. Annual comparison of secondary income flows indicated a decline in net inflows by nearly 60.4 percent, from US\$49.1 million (6.0 percent of GDP) during the third quarter of 2018. The fall in secondary income resulted from significant decline in receipts that mainly emanated from contraction in inward transfers to households and government.

5.9 Personal Remittances

During the reporting quarter, net personal remittances inflow stood at US\$21.3 million (2.7 percent of GDP). Compared with the previous quarter, net personal remittances declined by 9.7 percent to US\$21.3 million, primarily occasioned by 7.8 percent slowdown in inward remittances. Outward remittances declined by 7.1 percent to US\$59.4 million, while inward personal remittances fell by 7.9 percent, from US\$87.5 million reported in the preceding quarter.

Annual comparison showed that net inward personal remittances fell by 57.9 percent, from US\$50.6 million reported at end of the corresponding quarter of 2018, primarily triggered by a 24.7 percent reduction in personal inward remittances. This development partially explained the limited FX inflows into the economy.

**Chart 18: Net Personal Inward Remittances
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions of US\$)**



Source: Central Bank of Liberia

5.10 Gross International Reserves Position

Gross international reserves (GIR) position in the third quarter of 2019 rose modestly by 0.2 percent to US\$284.6 million compared to the stock of US\$284.1 million recorded in the preceding quarter. Similarly, year-on-year comparison of GIR showed further decline by 8.9 percent, explained partly by decline in foreign currency. Month of imports cover slightly dropped at end of

the quarter by 0.1 month to 2.3 months of import, from 2.4 months of imports cover recorded in the second quarter.

**Table 18: Gross International Reserves Position
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)
(In Million USD, except otherwise indicated)**

International Reserves ^{/1}	2018	2019		% Change	Val. Change
	Q – 3	Q – 2r	Q – 3p	Q3:2019/Q2:2019	Q3:2019/Q2:2019
Gross	312.56	284.10	284.61	0.18	0.51
Net	91.89	74.89	81.67	9.05	6.78
Month of Imports cover	2.6	2.4	2.3		

Source: Central Bank of Liberia

p – projection

r – revised

/1- Reserves revised based on ECF Program

+ Gross International Reserve = CBL liquid foreign assets less net liquid liabilities to government and commercial banks plus SDR including Reserve Tranche. GIR was revised based on ECF Program

5.11 Exchange Rate

At end-September 2019, the period average exchange rate depreciated by 13.1 percent to L\$204.37/US\$1.00, from L\$180.66/US\$1.00 recorded at end of the second quarter of 2019, while the end of period exchange rate depreciated by 6.5 percent to L\$209.21/US\$1.00, from the rate reported at end-June 2019. Compared to the corresponding quarter a year ago, both the average and the end of period exchange rates weakened by 32.5 percent, from L\$154.25/US\$1.00 and 34.6 percent, from L\$155.46/US\$1.00, respectively.

**Table 19: Market Exchange Rate: Liberia Dollar (LD) per US Dollar
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)
(Value In LD)**

Market Rates	2018	2019		% Change [(+) Deprec./(-) Apprec.]	
	Q – 3	Q – 2	Q – 3	Q3:2019/Q2:2019	Q3:2019/Q3:2018
End of Period Rate	155.46	196.37	209.21	6.54	34.57
Period Average Rate ^{/1}	154.25	180.66	204.37	13.12	32.49
Buying	153.79	180.09	203.67	13.09	32.43
Selling	154.71	181.22	205.08	13.17	32.56

Source: Central Bank of Liberia

/1 – Period Average Exchange Rate is the average of both the buying and selling rates of the Liberian Dollar relative to the US Dollar

The persistent depreciation of the Liberian dollar is noted to be largely driven by the low inflow of FX to service import payments. The slow recovery in global prices of the country's major commodity exports (mainly rubber and iron ore) and the decline in net remittance inflow were key constraints to foreign exchange supply during the third quarter of 2019.

5.12 Direction of Trade (DOT)

During the review quarter, export earnings declined on the back of slump in shipments to Asia (especially China) and Africa (mainly ECOWAS). On the other hand, Europe and North America were the two major destinations of Liberia's exports. Europe (mainly Switzerland) contributed 72.9 percent of total earnings from exports during the quarter with gold being key among the commodities exported. Switzerland accounted for 39.1 percent of export proceeds Europe. Earnings from North America (especially the United States of America) constituted 13.2 percent of total exports with rubber serving as the main export commodity.

Asia (especially China and India), Africa (mainly Cote d'Ivoire), and Europe were the leading sources of Liberia's imports during the quarter under review. Asia accounted for 66.2 percent of total import payments on rice and other food related items, office and household materials, electronics, fabrics, vehicles, machinery and spare parts during the quarter. In terms of shares of total imports, Africa and Europe shares were 13.7 percent and 12.2 percent, respectively. Compared with payments in the second quarter of the year, payments to Europe and Africa declined by 33.6 percent and 17.6 percent, respectively.

Table 20: Quarterly Directions of Trade
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)
(In Million USD, except otherwise indicated)

Direction of Trade by Region	2018		2019			
	Q – 3		Q – 2r		Q – 3p	
	Export	Import	Export	Import	Export	Import
Africa	5.69	42.79	9.42	43.43	7.38	35.28
o/w ECOWAS	4.57	33.93	9.41	37.39	6.74	27.00
o/w NC ¹	4.19	28.17	6.00	31.90	6.04	23.64
o/w Cote D'Ivoire		25.65		29.92		22.28
Asia	5.70	149.79	23.40	150.12	6.61	171.13
o/w Malaysia	0.40		1.40		1.35	
o/w India		72.37		53.15		64.32
o/w China		30.56		42.95		61.96
o/w ME ² Countries	3.93	7.54	10.65	14.03	4.56	13.36
o/w UAE	0.71	3.10	10.65	2.26	4.32	5.92
Europe	73.71	47.53	85.72	31.03	91.27	31.57
o/w Eurozone		36.92		5.82		4.24
o/w Switzerland	49.29		46.67		35.66	
o/w Spain		8.05		3.84		3.85
N America & The Caribbean	11.13	22.15	9.97	17.45	16.52	13.94
o/w USA	11.13	20.23	9.97	16.64	16.52	13.34
South & Central America	0.44	7.46	5.67	7.01	0.09	5.99
o/w Brazil		5.33		0.11		0.29
Oceania		0.64		0.54		0.49
o/w Australia		0.17		0.13		0.19
Other Countries (n.i.e)	3.64		9.65		3.27	
Total of DOT	100.31	270.36	143.83	249.58	125.14	258.40

Source: Liberia Revenue Authority (CUSTOM ASYCUDA), Firestone Liberia, Total Liberia, Ministry of lands, Mines & Energy

r-revised, p-preliminary

/1 - neighboring countries (these include Ivory Coast, Guinea and Sierra Leone)

/2 - Middle Eastern Countries

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Table 1: Selected Global Output, 2018-2020

	Projections			Difference from July 2019 WEO Update	
	2018	2019	2020	2019	2020
World Output	3.6	3.0	3.4	-0.2	-0.1
Advanced Economies	2.3	1.7	1.7	-0.2	0.0
United States	2.9	2.4	2.1	-0.2	0.2
Euro Area	1.9	1.2	1.4	-0.1	-0.2
Japan	0.8	0.9	0.5	0.0	0.1
United Kingdom	1.4	1.2	1.4	-0.1	0.0
Canada	1.9	1.5	1.8	0.0	-0.1
Emerging Markets and Developing Economies	4.5	3.9	4.6	-0.2	-0.1
Emerging and Developing Asia	6.4	5.9	6.0	-0.3	-0.2
China	6.6	6.1	5.8	-0.1	-0.2
India	6.8	6.1	7.0	-0.9	-0.2
Latin America & the Caribbean	1.0	0.2	1.8	-0.4	-0.5
Brazil	1.1	0.9	2.0	0.1	-0.4
Middle East, and Central Asia	1.9	0.9	2.9	-0.5	-0.3
Sub-Saharan Africa	3.2	3.2	3.6	-0.2	0.0
Nigeria	1.9	2.3	2.5	0.0	-0.1
South Africa	0.8	0.7	1.1	0.0	0.0
Consumer Prices					
Advanced Economies	2.0	1.5	1.8	-0.1	-0.2
Emerging Markets and Developing Economies	4.8	4.7	4.8	-0.1	0.1

Source: International Monetary Fund. World Economic Outlook (2019): Global Manufacturing Downturn, Rising Trade Barriers. Washington, DC, October

**Table 2: Key Agricultural Production
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**

Commodities	Unit	3 rd Quarter-2018	2 nd Quarter-2019	3 rd Quarter-2019
Rubber	Mt.	9,381	15,573	17,733
Cocoa	Mt.	8,910	26	3,527
Round Logs	M3	36,214	285,053	
Sawn Timber	Pcs.	45,358	102,949	
Crude Palm Oil (CPO)	Mt.	3,547	6,236	6,356

Source: Ministry of Commerce & Industry (MOCI); Liberia Agricultural Commodities Regulatory Authority (LACRA); Forestry Development Authority (FDA)

* Estimates + Revised/Actual

Table 3: Key Industrial Output
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)

Commodity	Unit	3 rd 2018	2 nd 2019	3 rd Quarter, 2019
Gold	Ounce	54,563	48,008	37,484
Diamond	Carat	13,805	11,610	17,775
Iron Ore	Mt.	771,904	1,167,793	898,767
Cement	Mt.	63,531	93,735	59,212
Spirits	Liter	145,043	65,098	45,878
Beer	Liter	773,681	1,642,511	1,227,868
Stout	Liter	597,089	1,288,465	1,027,121
Malta	Liter	138,980	153,656	137,713
Soft Drinks	Liter	1,840,753	1,994,188	607,478
Oil Paint	Gal.	20,068	18,321	21,599
Water Paint	Gal.	14,173	17,322	18,224
Varnish	Gal.	5,953	6,171	6,198
Manoline Hair Grease	Kg.	2,461	2,260	2,520
Thinner	Gal	4,658	5,361	5,387
Rubbing Alcohol	Liter	30,384	74,342	40,407
Soap	Kg	131,547	129,712	117,905
Chlorox	Litre	269,560	273,031	255,889
Candle	Kg	25,494	19,667	22,806
Mattresses	Pcs.	27,302	27,733	16,778
Finished water	Gal.	499,730,746	345,502,660	294,092,536
Mineral Water	Liter	138,628	158,357	139,067
Electricity	kW	48,146,090	53,578,540	48,023,180

Source: Ministry of Commerce & Industry (MOCI); Ministry of Lands, Mines & Energy; Liberia Water and Sewer Corporation

Projections + Revised/Actual

Table 4: Consumption of Petroleum Products
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)

Commodity	Unit	3 rd Quarter, 2018	2 nd Quarter, 2019	3 rd Quarter, 2019
Premium Motor Spirit (PMS)	Gal.	2,288,178	11,804,307	9,991,531
Diesel (AGO)	Gal.	2,704,542	10,619,247	12,893,875
Total		4,992,720	22,423,554	22,885,406

Source: Liberia Petroleum Refining Company (LPRC)

**Table 5: Vessel Traffic and Cargo Movement
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**

Quarter	No. of Vessels	Vessel Weight (SDWT)	Cargo Tonnage (In Metric Tons)		
			Imports	Exports	Total
3 rd Quarter, 2018	96	3,086,386	471,559	793,490	1,265,049
2 nd Quarter, 2019	102	2,641,619	582,500	1,292,362	1,874,862
3 rd Quarter, 2019	95	2,908,963	398,461	873,573	1,272,034

Source: National Port Authority (NPA) SDWT=Summer Dead Weight Tons

**Table 6: Electricity and Power Development
(3rd Quarter, 2018; 2nd & 3rd Quarters 2019)
(in kilowatts)**

	Unit	Service	Generation
3 rd Quarter, 2018	kW	Electricity	48,146,090.0
2 nd Quarter, 2019	kW	Electricity	53,578,540.0
3 rd Quarter, 2019	kW	Electricity	48,023,180.0

Source: Liberia Electricity Corporation (LEC)

**Table 7: Air Traffic, Passenger, and Cargo Movement
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**

Quarter	No. of Flights	Number of Passenger			Mail (Pieces)		Cargo (Kilograms)		
		Depart	Arrive	Transit	In	Out	Imports	Exports	Total
3 rd Quarter, 2018	537	24,638	25,405	15,752	9,264	3,812	73,550	439,610	513,160
2 nd Quarter, 2019	552	25,993	22,675	15,196	9,052	7,682	431,309	21,423	452,732
3 rd Quarter, 2019	523	24,933	23,186	15,097	5,356	7,088	408,969	54,760	463,729

Source: Liberia Airport Authority

Table 8: Headline and Quarterly Changes in CPI (%)

		Headline Inflation (Y-on-Y changes)			Monthly Changes in HCPI (%)		
		Combined	Food	Non-Food	Combined	Food	Non-Food
	July	9.5	12.9	5.6	2.6	3.2	1.9
	August	7.3	6.9	7.8	-0.8	-3.5	2.4
	September	6.5	3.8	9.7	1.8	1.4	2.3
	October	6	2.8	10	0.2	0.4	0
	November	9.8	9	10.6	-1.4	-1.7	-1
	December	8	5.9	4.7	0.1	-0.4	-4.7
2016	January	7	7.4	6.4	0.1	3	2.2
	February	7.1	5.5	2.8	-1.2	-2.5	-5.4
	March	7.1	5.6	2.7	1.9	3.6	0.1
	April	7.2	3.1	6	0.2	-2.6	3.6
	May	7.6	1.9	14.7	-0.3	-0.6	5.9
	June	8.4	4.1	6	5.2	4.1	-0.8
	July	8.4	5.8	11.6	2.6	4.8	7.4
	August	9.9	10.8	8.8	0.5	1.1	-0.2
	September	8.5	9.8	6.9	0.5	0.5	0.6
	October	9.9	11.7	0.9	1.6	2.1	-5.6
	November	12	14.4	9.3	0.5	0.7	7.2
	December	12.5	14.2	16.8	0.5	-0.6	1.8
2017	January	13.6	11.4	16.3	1	0.4	1.8
	February	13.3	9.9	12.1	-1.5	-3.8	-0.1
	March	11.9	4.7	14.1	0.6	-1.3	1.8
	April	11.5	6.8	14.1	-0.1	-0.6	0.2
	May	13.2	8.9	15.4	1.2	1.4	1.1
	June	10.8	7.1	20.1	3	2.4	3.3
	July	10.5	3.8	14.8	2.3	1.6	2.6
	August	12.3	5.4	17.2	2.2	2.7	1.9
	September	13.1	6	18.1	1.2	1	1.3
	October	11.9	4.2	25.8	0.5	0.4	0.5
	November	13.1	4.6	19.5	1.6	1.1	1.8
	December	13.9	4.6	20.1	1.2	-0.6	2.2
2018	January	15.5	8	20	2.4	3.7	1.7
	February	17.8	11.6	21.5	0.6	-0.7	1.2

	March	19.4	17.4	20.7	2.1	3.8	1.1
	April	21.4	20.1	22.1	1.4	1.7	1.3
	May	21.3	19.6	22.2	1.1	0.9	1.2
	June	24.5	22.4	25.8	5.8	4.9	6.3
	July	26.1	23.7	27.5	3.5	2.7	4
	August	26.1	23.3	27.7	2.2	2.4	2
	September	26.3	25.2	26.9	1.4	2.5	0.7
	October	26.6	24.2	27.9	0.7	-0.4	1.3
	November	27.1	24.9	28.3	2	1.8	2.1
	December	28.5	30.5	27.5	2.4	3.8	1.6
2019	January	23.3	30.2	19.7	-1.8	3.4	-4.5
	February	22	27.6	19.1	-0.5	-2.6	0.9
	March	25.8	23.4	27	5.3	0.4	7.9
	April	23.29	26.50	33.18	-0.59	4.25	-3.03
	May	28.74	29.86	27.18	5.58	3.60	6.66
	June	29.91	32.20	27.82	6.72	6.74	6.71
	July	29.87	31.76	27.36	3.51	2.36	4.11
	August	31.32	34.59	25.57	3.30	4.57	2.64
	September	30.90	33.18	25.57	1.05	1.43	0.84

**Table 9: Inflation by Sub-group: Year-on-Year Changes in CPI
(2018-2019)**

Food Group	Weights	Inflation Rates			
		2018q2	2018q3	2019q2	2019q3
Meat (ND)	4.82	30.57	25.40	15.80	27.70
Fish (ND)	5.54	23.30.3	20.83	10.58	22.28
Bread & Cereal (ND)	10.06	16.90	22.40	26.69	33.07
Non-Food Group					
Alcoholic Beverages, Tobacco and Narcotics	0.65	8.89	26.20	40.55	26.55
Clothing and footwear	5.21	34.06	22.86	21.23	38.37
Housing, Water, Electricity, Gas and other fuels	7.22	16.73	22.77	37.24	33.45
Furnishing, H/Hold Equip., Routine Maintenance of the house	5.21	39.28	45.13	30.89	34.59
Health	9.28	12.06	17.27	12.32	10.60
Transport	7.53	35.33	46.09	30.35	30.65
Communication	3.86	23.32	24.79	29.31	28.57
Recreation and Culture	1.03	20.67	26.13	25.11	30.92
Education	4.83	0.00	0.00	8.74	13.98
Restaurant and Hotels	17.12	21.98	27.02	29.61	38.65
Miscellaneous Goods and Services	3.98	26.03	25.55	42.64	37.97

Source: CBL & LISGIS, Monrovia, Liberia

**Table 10: Harmonized Consumer Price Index (HCPI) By Major Groups
Year-on-Year Rates of Inflation
(3rd Quarter, 2018; 2nd & 3rd Quarters 2019)
(December, 2005=100)**

Functions	WEIGHTS	Jul-18	Aug-18	Sep-18	3rd Quarter	Apr-19	May-19	Jun-19	2nd Quarter	Jul-19	Aug-19	Sep-19	3rd Quarter
FOOD AND NON-ALCOHOLIC BEVERAGES	34.08	23.74	23.33	25.17	24.08	26.50	29.86	32.20	29.52	31.76	34.59	33.18	33.18
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	0.65	16.10	30.89	31.61	26.20	37.30	45.79	38.54	40.55	30.31	24.08	25.26	26.55
CLOTHING AND FOOTWEAR	5.21	27.87	20.68	20.02	22.86	14.48	20.94	28.28	21.23	42.22	43.12	29.76	38.37
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	7.22	21.39	23.72	23.20	22.77	29.51	42.37	39.85	37.24	34.03	33.11	33.22	33.45
FURNISHINGS, HOUSEHOLD, EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	5.21	48.58	42.31	44.49	45.13	27.65	31.10	33.94	30.89	28.56	33.93	41.26	34.59
HEALTH	9.28	17.84	16.01	17.95	17.27	13.94	13.73	9.28	12.32	8.48	11.59	11.73	10.60
TRANSPORT	7.53	47.97	47.31	42.99	46.09	26.13	38.55	26.37	30.35	28.22	30.52	33.20	30.65
COMMUNICATION	3.86	26.83	24.09	23.44	24.79	29.45	27.87	30.60	29.31	24.77	29.94	31.01	28.57
RECREATION AND CULTURE	1.03	25.88	26.57	25.96	26.13	20.98	26.59	27.75	25.11	38.08	26.76	27.93	30.92
EDUCATION	4.83	0.00	0.00	0.00	0.00	5.49	8.91	11.82	8.74	13.11	13.98	14.85	13.98
RESTAURANTS AND HOTELS	17.12	20.80	31.56	28.71	27.02	19.92	32.36	36.55	29.61	43.94	36.16	35.85	38.65
MISCELLANEOUS GOODS AND SERVICES	3.89	27.90	24.76	24.00	25.55	37.14	42.74	48.02	42.64	36.81	37.34	39.75	37.97
GENERAL RATE OF INFLATION	100.00	26.12	26.11	26.31	26.18	23.29	28.74	29.91	27.31	29.87	31.32	30.90	30.70

Source: CBL & LISGIS, Monrovia, Liberia

**Table 11: Commercial Bank Loans by Economic Sectors
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions of L\$)**

	2018		2019				Contributions to Credit Growth	
	3 rd Quarter	Share	2 nd Quarter	Share	3 rd Quarter	Share	Q-O-Q	Y-O-Y
Agriculture	4,277.9	5.9	4,581.0	5.4	4,408.7	4.8	-0.20	0.18
Extractive (Mining & Quarrying)	664.1	0.9	498.7	0.6	494.1	0.5	-0.01	-0.23
Manufacturing	1,773.2	2.4	1,444.9	1.7	1,942.9	2.1	0.59	0.23
Construction	7,335.5	10.1	6,603.3	7.8	8,552.6	9.3	2.30	1.67
Services	6,767.1	9.3	10,401.5	12.3	10,562.1	11.5	0.19	5.22
Trade	22,862.8	31.4	32,230.0	38.0	33,812.8	36.8	1.86	15.06
Personal	14,468.5	19.9	13,562.5	16.0	16,315.7	17.8	3.24	2.54
Gen. Government	1,227.6	1.7	378.7	0.4	333.2	0.4	-0.05	-1.23
Central Bank	0	0	0	0	0	0	0.00	0.00
Public Corporations	674.9	0.9	1,228.3	1.4	2,433.9	2.6	1.42	2.42
Oil and Gas	5,315.3	7.3	7,791.4	9.2	7,080.7	7.7	-0.84	2.43
Others	7,366.8	10.1	6,174.2	7.3	5,957.8	6.5	-0.25	-1.94
Total Loan All Sectors (LD & USD)	72,733.5	100.0	84,894.6	100.0	91,894.5	100.0	8.25	26.34
<i>O/W TOTAL Private Sector (LD & USD)</i>	<i>70,831.1</i>	<i>97.38</i>	<i>83,287.6</i>	<i>98.11</i>	<i>89,127.4</i>	<i>96.99</i>	<i>6.88</i>	<i>25.16</i>

Source: Central Bank of Liberia

**Table 12: Commercial Bank's Interest Rates
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)**

	2018	2019	
	3 rd Quarter	2 nd Quarter	3 rd Quarter
Avg. Prime Lending Rate	12.44	12.44	12.44
Avg. Personal Loan Rate	13.28	12.78	12.78
Avg. Mortgage Rate	13.38	14.88	14.88
Avg. Time Deposit Rate	3.53	3.53	3.53
Avg. Savings Rate	2.10	2.10	2.10
Avg. Rate on CDs	3.25	3.25	3.25

Source: Central Bank of Liberia, Monrovia, Liberia

Table 13: Broad Money Supply and its Sources
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions of L\$)

Monetary Aggregates	2018	2019		Percentage Change	
	3 rd Quarter	2 nd Quarter	3 rd Quarter	Q-o-Q	Y-o-Y
1.0 Money Supply M2 (1.1 + 1.2)	100,378.0	115,122.1	119,386.6	3.7	18.9
<i>1.1 Money Supply M1</i>	<i>65,614.3</i>	<i>74,448.6</i>	<i>77,296.7</i>	<i>3.8</i>	<i>17.8</i>
<i>1.1.1 Currency outside banks</i>	<i>15,509.7</i>	<i>18,655.9</i>	<i>19,001.2</i>	<i>1.9</i>	<i>22.5</i>
<i>1.1.2 Demand deposit 1/</i>	<i>50,104.7</i>	<i>55,792.7</i>	<i>58,295.4</i>	<i>4.5</i>	<i>16.3</i>
1.2 Quasi Money	34,763.7	40,673.5	42,092.0	3.5	21.1
<i>1.2.1 Time & Savings deposits</i>	<i>34,072.0</i>	<i>40,267.3</i>	<i>41,690.4</i>	<i>3.5</i>	<i>22.4</i>
<i>1.2.2 Other deposits 2/</i>	<i>691.6</i>	<i>406.2</i>	<i>399.5</i>	<i>-1.6</i>	<i>-42.2</i>
2.0 Net Foreign Assets	19,013.7	9,347.6	12,049.2	28.9	-36.6
2.1 Central Bank	4,824.3	-7,311.6	-6,859.4	-6.2	-242.2
2.2 Banking Institutions	14,189.4	16,659.1	18,908.6	13.5	33.3
3.0 Net Domestic Assets (1 - 2)	81,364.3	105,774.5	107,337.4	1.5	31.9
3.1 Domestic Credit	128,475.6	181,561.1	192,326.2	5.9	49.7
3.1.1 Government (net)	46,625.8	86,809.5	89,851.2	3.5	92.7
3.1.2 Pvt. Sector & Other Pvt.	81,849.8	94,751.5	102,475.1	8.2	25.2
3.2 Other assets Net (3 - 3.1)	47,111.3	75,786.6	84,988.8	12.1	80.4
Memorandum Items					
1. Overall Liquidity	100,378.0	115,122.1	119,386.6	3.7	18.9
2. Reserve Money	37,208.7	36,951.6	39,005.3	5.6	4.8
<i>Currency outside banks</i>	<i>15,509.7</i>	<i>18,655.9</i>	<i>19,001.2</i>	<i>1.9</i>	<i>22.5</i>
<i>Banks Reserves</i>	<i>21,007.3</i>	<i>17,889.5</i>	<i>19,604.5</i>	<i>9.6</i>	<i>-6.7</i>
<i>Other Deposits at CBL</i>	<i>691.6</i>	<i>406.2</i>	<i>399.5</i>	<i>-1.6</i>	<i>-42.2</i>

Source: Central Bank of Liberia

1/Excludes managers cheques from commercial banks

2/ Includes official and managers checks issued by the Central Bank

Table 14: Government of Liberia Treasury Bill Auction
(3rd Quarter, 2018; 2nd & 3rd Quarters, 2019)
(In Millions of L\$)

Date	Maturity Date	Amount Offered	Amount Issued	Settlement Amount Value	Over/(Under) Subscription (L\$)	Interest at Maturity	Weighted Average Discount Rate (%)
3rd Quarter 2019							
Total		-	-	-	-	-	-
2nd Quarter 2019							
Total		-	-	-	-	-	-
3rd Quarter 2018							
2-Aug-18	1-Nov-18	75.75	75.75	75.17	34.40	0.58	3.08
13-Aug-18*	13-Jul-19	447.56	447.56	447.56		28.67	7.00
6-Sep-18	6-Dec-18	77.07	69.24	68.66	7.83	0.58	3.34
Total (US\$)		447.56	447.56	447.56	-	28.67	7.00
Total (L\$)		152.82	144.99	143.83	42.23	1.16	3.21

Source: Central Bank of Liberia

Table 15: CBL Index Bills
(1st, 2nd & 3rd Quarters, 2019)
(In Millions of LS)
3rd Quarter, 2019

COMMERCIAL BANK ISSUANCE				
Issuance Date	Maturity Date	Amount Offered	Amount Issued	Interest Rate (%)
5-Jul-19	4-Jul-20	1,245.00	89.80	7
10-Sep-19	9-Sep-20	1,155.20	80.00	7
20-Sep-19	19-Sep-20	1075.20	300.00	7
30-Sep-19	29-Sep-20	775.20	100.00	7
UNSUBSCRIBED BALANCE		675.20		
RETAIL INVESTORS VIA COMMERCIAL BANKS				
Issuance Date	Maturity Date	Amount Offered	Amount Issued	Interest Rate (%)
5-Jul-19	4-Jul-20	2,991.60	0.40	7
12-Jul-19	11-Jul-20	2,991.20	0.15	7
12-Jul-19	11-Jul-20	2,991.05	0.04	7
12-Jul-19	11-Jul-20	2,991.01	0.2	7
12-Jul-19	11-Jul-20	2,990.80	0.2	7
13-Sep-19	12-Sep-20	2,990.61	0.6	7
20-Sep-19	19-Sep-20	2,989.40	1.2	7
UNSUBSCRIBED BALANCE		2,987.61		
2nd Quarter, 2019				
COMMERCIAL BANK ISSUANCE				
Issuance Date	Maturity Date	Amount Offered	Amount Issued	Interest Rate (%)
5-Apr-19	4-Apr-19	1,495.00	150	7
5-Apr-19	4-Apr-19	1,495.00	150	7
10-May-19	9-May-19	1,345.00	100	7
18-Jun-19	17-Jun-19	1,245.00	388.4	7
UNSUBSCRIBED BALANCE		856.60		
RETAIL INVESTORS VIA COMMERCIAL BANKS				
Issuance Date	Maturity Date	Amount Offered	Amount Issued	Interest Rate (%)
7-May-19	6-May-20	2,994.00	0.9	7
24-May-19	23-May-20	2,993.20	0.11	7
11-Jun-19	10-Jun-20	2,993.10	1.4	7
26-Jun-19	25-Jun-20	2,991.70	0.062	7
UNSUBSCRIBED BALANCE		2,991.60		

Source: Central Bank of Liberia

Table 16: Balance of Payments Statistics
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)
(In Million USD)

Account Description	2018	2019	
	Q – 3	Q – 2r	Q – 3p
Current account (CA)	(209.24)	(188.18)	(225.04)
Credit	234.80	246.08	219.97
Debit	444.04	434.26	445.01
Goods and services	(229.32)	(186.77)	(218.90)
Credit	106.43	146.77	128.00
Debit	335.75	333.54	346.90
Goods (net): surplus (+)/ deficit (-)	(170.05)	(105.75)	(133.26)
Credit (Exports)	100.31	143.83	125.14
Iron ore	17.93	59.19	51.66
Rubber	12.17	24.77	21.18
Mineral (Gold & Diamond)	55.66	49.11	43.76
Palm oil	1.71	3.44	3.19
Other exports (excluding gold)	12.84	7.32	5.35
Debit (Imports)	270.36	249.58	258.40
Food and Live Animals (including Animals & Vegetable Oil)	72.78	77.27	86.09
<i>O/w Rice</i>	23.83	40.03	50.56
Minerals, Fuel, Lubricants ¹	32.29	37.36	25.79
<i>O/w Petroleum Products</i>	23.99	28.36	21.89
Machinery & Transport Equipment	69.78	50.72	71.42
Manufactured goods classified by materials	46.94	33.50	31.08
Other Imports	48.57	50.73	44.02
General merchandise on a balance of payments basis	(219.68)	(150.96)	(172.84)
Credit	50.68	98.62	85.56
Debit	270.36	249.58	258.40
Of which Re-exports (credit)	0.00	0.00	0.00
Nonmonetary Gold (credit)	49.63	45.21	39.58
Services	(59.27)	(81.02)	(85.64)
Credit	6.12	2.94	2.86
Debit	65.39	83.96	88.50
Primary Income	(28.97)	(24.66)	(25.57)
Credit	6.93	8.83	9.97
Debit	35.90	33.49	35.54
Secondary Income	49.05	23.25	19.43
Credit	121.44	90.48	82.00
Debit	72.39	67.23	62.57
Capital Account (KA)	73.22	78.45	59.68
Credit	73.22	78.45	59.68
Debit	0.00	0.00	0.00
Net Lending (+)/Net Borrowing (-) balance from CA & KA	(136.02)	(109.74)	(165.36)
Financial Account (FA)			

Net Lending (+)/Net Borrowing (-) balance from FA	(67.18)	(61.21)	(31.68)
Direct investment	(16.73)	(22.43)	(29.53)
Net acquisition of financial assets	0.00	0.00	0.00
Net incurrence of liabilities	16.73	22.43	29.53
Other investment	(18.75)	(31.76)	(1.79)
Net acquisition of financial assets	17.34	15.24	3.55
Net incurrence of liabilities	36.09	47.00	5.34
Reserve assets	(31.70)	(7.02)	(0.36)
NET ERRORS & OMISSIONS	68.84	48.53	133.68
Overall Balance	31.70	7.02	0.36
MEMORANDUM ITEMS			
Gross Foreign Reserves Position	312.56	284.10	284.61
Import Payments (CIF)	297.23	276.67	283.20
Imports (CIF) & Service Payments	362.62	360.63	371.71
Current Account Balance excluding Grants	(223.64)	(189.91)	(225.84)
Nominal GDP†	815.59	791.03	785.89
Current Account Bal. (% of GDP)	(25.66)	(23.79)	28.64
Current Account Bal. including Grants (% of GDP)	(27.42)	(24.01)	(28.74)
Trade (in goods) Deficit % of GDP	(20.85)	(13.37)	(16.96)
Capital Account Bal. (% of GDP)	8.98	9.92	7.59
Financial Account Bal. (% of GDP)	(8.24)	(7.74)	(4.03)
Months of Imports Cover††	2.6	2.4	2.3

Source: Central Bank of Liberia

r - revised; p - preliminary

† Quarterly NGDP is estimated at 1/4th of annual nominal GDP projection by IMF (NGDP in 2018 – US\$3,249.0 million

and 2019 is US\$3,221 million); †† Months of imports cover per 3 months

**Table 17: Quarterly Commodity Composition of Trade
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)
(In Million USD, except otherwise indicated)**

S/N	Commodity	Unit	2018			2019					
			Q – 3			Q – 2r			Q – 3p		
			Volume (000)	Value	share	Volume (000)	Value	share	Volume (000)	Value	share
a.	Total Exports			100.31	100.00		143.83	100.00		125.14	100.00
	Rubber	Mt.	9.05	12.17	12.13	15.49	24.77	17.22	17.73	21.18	16.92
	Cocoa	Mt.	0.24	0.11	0.11	0.48	0.34	0.23	1.67	1.19	0.95
	Iron Ore	Mt.	627.28	17.93	17.87	1,155.65	59.19	41.15	780.38	51.66	41.28
	Mineral			55.66	55.49		49.11	34.15		43.76	34.97
	o/w Diamond	Crt	16.94	6.03	10.84	11.61	3.91	7.95	17.77	4.18	9.55
	o/w Gold	Oz	52.68	49.63	89.16	48.01	45.21	92.05	37.48	39.58	90.45
	Palm Oil	Mt.	2.18	1.71	1.70	6.38	3.44	2.39	8.86	3.19	2.55
	Other Exports			9.09	9.06		3.54	2.46		0.98	0.78
	Goods procured ¹			3.64	3.63		3.44	2.39		3.18	2.54
b.	Total Import			270.36	100.00		249.58	100.00		258.40	100.00
	Food and Live Animals			68.25	25.24		73.18	29.32		81.92	31.70
	o/w Commercial Rice			22.35	32.74		36.12	49.35		49.90	60.92
	o/w Non-Commercial Rice			1.48	2.17		3.91	5.34		0.66	0.80
	Beverages and Tobacco			5.01	1.85		5.87	2.35		2.74	1.06
	Crude Material & Inedible, except Fuel			6.39	2.36		5.20	2.08		5.85	2.26
	Minerals, Fuel Lubricants			32.29	11.94		37.36	14.97		25.79	9.98
	o/w Petroleum products			23.99	74.29		28.36	75.90		21.89	84.88
	Animals & Vegetable Oil			4.53	1.68		4.09	1.64		4.17	1.61
	Chemicals & related Products			25.13	9.30		32.86	13.17		25.20	9.75
	Mfg. Goods classified by Materials			46.94	17.36		33.50	13.42		31.08	12.03
	Machinery & Transportation Equip			69.78	25.81		50.72	20.32		71.42	27.64
	Misc. Mfg. Articles			12.05	4.46		6.79	2.72		10.23	3.96
c.	Total Trade = (a + b)			370.67			393.41			383.54	
d.	Trade Balance (+ surplus, - deficit) = (a-b)			(170.05)			(105.75)			(133.26)	

Source: Liberia Revenue Authority (CUSTOM ASYCUDA), Firestone Liberia, Total Liberia, Ministry of lands, Mines & Energy;
r - revised; p - preliminary

**Table 18: Gross International Reserves Position
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)
(In Million USD, except otherwise indicated)**

International Reserves ¹	2018	2019		% Change	Val. Change
	Q – 3	Q – 2r	Q – 3p	Q3:2019/Q2:2019	Q3:2019/Q2:2019
Gross	312.56	284.10	284.61	0.18	0.51
Net	91.89	74.89	81.67	9.05	6.78
Month of Imports cover	2.6	2.4	2.3		

Source: Central Bank of Liberia

p – projection

r – revised

/1- Reserves revised based on ECF Program

+ Gross International Reserve = CBL liquid foreign assets less net liquid liabilities to government and commercial banks plus SDR including Reserve Tranche. GIR was revised based on ECF Program

Table 19: Market Exchange Rate: Liberia Dollar (LD) per US Dollar
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)
(Value In LD)

Market Rates	2018	2019		% Change [(+) Deprec./(-) Apprec.]	
	Q – 3	Q – 2	Q – 3	Q3:2019/Q2:2019	Q3:2019/Q3:2018
End of Period Rate	155.46	196.37	209.21	6.54	34.57
Period Average Rate ^{/1}	154.25	180.66	204.37	13.12	32.49
Buying	153.79	180.09	203.67	13.09	32.43
Selling	154.71	181.22	205.08	13.17	32.56

Source: Central Bank of Liberia

/1 – Period Average Exchange Rate is the average of both the buying and selling rates of the Liberian Dollar relative to the US Dollar

Table 20: Quarterly Directions of Trade
(3rd Quarter 2018; 2nd & 3rd Quarters, 2019)
(In Million USD, except otherwise indicated)

Direction of Trade by Region	2018		2019			
	Q – 3		Q – 2r		Q – 3p	
	Export	Import	Export	Import	Export	Import
Africa	5.69	42.79	9.42	43.43	7.38	35.28
o/w ECOWAS	4.57	33.93	9.41	37.39	6.74	27.00
o/w NC ^{/1}	4.19	28.17	6.00	31.90	6.04	23.64
o/w Cote D'Ivoire		25.65		29.92		22.28
Asia	5.70	149.79	23.40	150.12	6.61	171.13
o/w Malaysia	0.40		1.40		1.35	
o/w India		72.37		53.15		64.32
o/w China		30.56		42.95		61.96
o/w ME ^{/2} Countries	3.93	7.54	10.65	14.03	4.56	13.36
o/w UAE	0.71	3.10	10.65	2.26	4.32	5.92
Europe	73.71	47.53	85.72	31.03	91.27	31.57
o/w Eurozone		36.92		5.82		4.24
o/w Switzerland	49.29		46.67		35.66	
o/w Spain		8.05		3.84		3.85
N America & The Caribbean	11.13	22.15	9.97	17.45	16.52	13.94
o/w USA	11.13	20.23	9.97	16.64	16.52	13.34
South & Central America	0.44	7.46	5.67	7.01	0.09	5.99
o/w Brazil		5.33		0.11		0.29
Oceania		0.64		0.54		0.49
o/w Australia		0.17		0.13		0.19
Other Countries (n.i.e)	3.64		9.65		3.27	
Total of DOT	100.31	270.36	143.83	249.58	125.14	258.40

Source: Liberia Revenue Authority (CUSTOM ASYCUDA), Firestone Liberia, Total Liberia, Ministry of lands, Mines & Energy

r-revised, p-preliminary

/1 - neighboring countries (these include Ivory Coast, Guinea and Sierra Leone)

/2 – Middle Eastern Countries